

Notice of annual general meeting and explanatory memorandum

KNeoMedia Limited

ACN 009 221 783

Date: Friday 22 November 2019

Time: 11.00 am (AEDT)

Place: Holding Redlich
Birraring Marr Room
Level 8, 555 Bourke Street
Melbourne Victoria 3000

NOTICE OF 2019 ANNUAL GENERAL MEETING

NOTICE is given that the 2019 Annual General Meeting of KNeoMedia Limited will be held at the offices of Holding Redlich, Birrarung Marr Room, Level 8, 555 Bourke Street, Melbourne, Victoria on Friday 22 November 2019 at 11.00 am (AEDT).

BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Annual General Meeting:

1. Financial and related reports

Item 1	Financial and related reports
Description	To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2019.

2. Adoption of Remuneration Report (non-binding vote)

Resolution 1	Adoption of Remuneration Report (non-binding vote)
Description	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2019 Annual Report and is available from the Company's website (www.kneomedia.com).</p> <p>In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the Directors or the Company.</p>
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>"THAT the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2019 be adopted."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none">by or on behalf of a member of Key Management Personnel (KMP) named in the remuneration report for the year ended 30 June 2019, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast; andas a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party. <p>However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on this resolution:</p> <ul style="list-style-type: none">in accordance with the directions of how to vote on the Proxy Form; orby the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.

3. Re-election of Director

Resolution 2	Re-election of Mr Jeffrey Bennett as Director
Description	Mr Jeffrey Bennett, who was appointed as a Director on 19 March 2008, retires as a Director of the Company in accordance with Article 47(b)(i) of the Company's constitution and, being eligible, offers himself for re-election under Article 46(c) of the constitution.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT Mr Jeffrey Bennett, having retired from his office as a Director in accordance with Article 47(b)(i) of the Company's constitution and, being eligible under Article 46(c) of the constitution, having offered himself for re-election, be re-elected as a Director of the Company."</i>

4. Ratification of previous issues of securities

Resolution 3A	Ratification of issue of June Placement Shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 26,810,000 Shares on 28 June 2019 under ASX Listing Rule 7.1A.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 26,810,000 Shares on 28 June 2019 on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</i>
Voting Exclusion	The Company will disregard any votes cast in favour of Resolution 3A by: <ul style="list-style-type: none"> ▪ any person who participated in the issue of Shares under this resolution; and ▪ any associates of those persons. <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

Resolution 3B	Ratification of issue of December Placement Shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 15,356,943 Shares on 14 December 2018 under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 15,356,943 Shares on 14 December 2018, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of Resolution 3B by: <ul style="list-style-type: none"> ▪ any person who participated in the issue of Shares under this resolution; and ▪ any associates of those persons. <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

Resolution 3C	Ratification of issue of April Placement Shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 32,500,000 Shares on 11 April 2019 under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 32,500,000 Shares on 11 April 2019, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of Resolution 3C by: <ul style="list-style-type: none"> ▪ any person who participated in the issue of Shares under this resolution; and ▪ any associates of those persons. <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

Resolution 3D	Ratification of issue of June Attaching Options
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 13,405,000 options to acquire ordinary shares (issued as free attaching options to the June Placement Shares) on 28 June 2019 under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 13,405,000 June Attaching Options on 28 June 2019, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of Resolution 3D by: <ul style="list-style-type: none"> ▪ any person who participated in the issue of Shares under this resolution; and ▪ any associates of those persons. However, the Company need not disregard a vote if it is cast by: <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

Resolution 3E	Ratification of issue of Broker Options
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 10,000,000 options to acquire ordinary shares made by the Company on 28 June 2019 to the broker who facilitated the June Placement and issued under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 10,000,000 Broker Options on 28 June 2019, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of Resolution 3E by: <ul style="list-style-type: none"> ▪ any person who participated in the issue of Shares under this resolution; and ▪ any associates of those persons. <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

Resolution 3F	Ratification of issue of October Placement Shares
Description	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for its prior issue of 41,458,330 Shares on 18 October 2019 under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve and ratify the issue of 41,458,330 Shares on 18 October 2019, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of Resolution 3F by: <ul style="list-style-type: none"> ▪ any person who participated in the issue of Shares under this resolution; and ▪ any associates of those persons. <p>However, the Company need not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

5. Approval of 10% Placement Capacity

Resolution 4	Approval of 10% Placement Capacity under Listing Rule 7.1A
Description	The Company seeks approval of shareholders to be able to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12-month period, in addition to its 15% Placement Capacity under ASX Listing Rule 7.1A.
Resolution (Special)	To consider and, if thought fit, pass the following resolution as a special resolution : <i>“THAT, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to an additional 10% of its issued Equity Securities by way of placements over a 12-month period, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by any person who is expected to participate in the issue of Equity Securities under this resolution or a person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of Shares, if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by: <ul style="list-style-type: none"> ▪ a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or ▪ the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

6. Approval of the Long-Term Incentive Plan (LTIP)

Resolution 5	Approval of the Long-Term Incentive Plan (LTIP)
Description	Resolution 5 seeks shareholder approval for the Company’s Long-Term Incentive Plan (LTIP or Plan) for the purposes of the Listing Rules and the Corporations Act.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>“THAT, for the purposes of Exception 9 in ASX Listing Rule 7.2, sections 259B(2) and 260C(4) of the Corporations Act and for all other purposes, shareholders approve the issue of shares, performance rights or options under the Long Term Incentive Plan described in the Explanatory Memorandum accompanying this Notice as an exception to ASX Listing Rule 7.1.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associate of those Directors. However, the Company need not disregard a vote if it is cast by:

	<ul style="list-style-type: none"> ▪ a person as a proxy for a person who is entitled to vote, in accordance with the directions of the proxy form; or ▪ the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, where the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.
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Resolution 6	Approval of the issue of Performance Rights to Mr James Kellett pursuant to the LTIP
Description	Resolution 6 seeks shareholder approval for the issue of 5,255,590 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr James Kellett, the Company's Executive Chairman and CEO, or his nominee(s).
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an ordinary resolution:</p> <p><i>“THAT, for the purposes of Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to grant 5,255,590 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr James Kellett, the Executive Chairman and CEO of the Company, or his nominee(s) pursuant to the LTIP and on the terms set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by:</p> <ul style="list-style-type: none"> (a) The Directors of the Company, being Messrs James Kellett, Jeffrey Bennett and Frank Lieberman, and their nominee(s); (b) any associates of the persons named in sub-paragraph (a); and (c) as a proxy by a member of Key Management Personnel and a Closely Related Party of Key Management Personnel, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form that specify how the proxy is to vote on this resolution; or (b) the chair of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form that does not specify how the proxy is to vote on this resolution, but expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Resolution 7	Approval of the issue of Performance Rights to Mr Jeffrey Bennett pursuant to the LTIP
Description	Resolution 7 seeks shareholder approval for the issue of 2,627,795 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Jeffrey Bennett, a Non-Executive Director of the Company, or his nominee(s).
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>“THAT, for the purposes of Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to grant 2,627,795 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Jeffrey Bennett, Non-Executive Director of the Company, or his nominee(s) pursuant to the LTIP and on the terms set out in the Explanatory Memorandum accompanying this Notice.”</i>
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by: <ul style="list-style-type: none"> (a) The Directors of the Company, being Messrs James Kellett, Jeffrey Bennett and Frank Lieberman, and their nominee(s); (b) any associates of the persons named in sub-paragraph (a); and (c) as a proxy by a member of Key Management Personnel and a Closely Related Party of Key Management Personnel, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form that specify how the proxy is to vote on this resolution; or (b) the chair of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form that does not specify how the proxy is to vote on this resolution, but expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Resolution 8	Approval of the issue of Performance Rights to Mr Frank Lieberman pursuant to the LTIP
Description	Resolution 8 seeks shareholder approval for the issue of 2,627,795 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Frank Lieberman, an Executive Director of the Company, or his nominee(s).
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution: <i>“THAT, for the purposes of Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to 2,627,795 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Frank Lieberman, an Executive Director of the Company, or his nominee(s) pursuant to the LTIP and on the terms set out in the Explanatory Memorandum accompanying this Notice.”</i>

Voting Exclusion	<p>The Company will disregard any votes cast in favour of this resolution by:</p> <ul style="list-style-type: none"> (a) The Directors of the Company, being Messrs James Kellett, Jeffrey Bennett and Frank Lieberman, and their nominee(s); (b) any associates of the persons named in sub-paragraph (a); and (c) as a proxy by a member of Key Management Personnel and a Closely Related Party of Key Management Personnel, where the proxy appointment does not specify the way the proxy is to vote. <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form that specify how the proxy is to vote on this resolution; or (b) the chair of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the proxy form that does not specify how the proxy is to vote on this resolution, but expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.
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Resolution 9	Approval of issue of Shares to UK director in lieu of fees
Description	The Company seeks shareholder approval for the issue of 3,138,991 Shares to Lord Anthony St. John, the chairman of the Company's UK subsidiary, in lieu of outstanding Director's fees owing to Mr St. John, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholder approval is given for the Company to issue 3,138,991 Shares to Lord Anthony St. John or his nominee(s) in lieu of fees, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</i>
Voting Exclusion	<p>The Company will disregard any votes cast in favour of this Resolution 9 by Lord Anthony St. John and his nominees and any of their associates.</p> <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or (b) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.

Resolution 10	Approval of issue of Shares to Consultant in lieu of fees
Description	The Company seeks shareholder approval for the issue of 902,356 Shares to Muan Lim, a consultant who provided advisory services on the Company's operations in Asia, in lieu of outstanding fees owing to Mr Lim, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholder approval is given for the Company to issue 902,356 Shares to Mr Muan Lim or his nominee(s) in lieu of consultancy fees, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</i>
Voting Exclusion	The Company will disregard any votes cast in favour of this Resolution 10 by Mr Muan Lim and his nominees and any of their associates. However, the Company will not disregard a vote if it is cast by: (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or (b) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.

Dated: 24 October 2019

By order of the Board of KNeoMedia Limited

Sophie Karzis
Company Secretary

QUESTIONS FROM SHAREHOLDERS

In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, William Buck, in relation to the conduct of the external audit for the year ended 30 June 2019, or the content of its audit report. Please send your questions to:

The Company Secretary, **KNeoMedia Limited**

Level 7, 411 Collins Street, Melbourne VIC 3000

T. 03 9492 9200

E. sk@ccounsel.com.au

Written questions must be received by no later than **5.00 pm (AEDT) on Friday 15 November 2019**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including Remuneration Report.

During the course of the Annual General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the Auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

VOTING INFORMATION

Voting by proxy

- a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast two or more votes at the meeting, two proxies, to attend and vote instead of the shareholder.
- b) Where two proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the meeting.
- c) A proxy need not be a shareholder of the Company.
- d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
- e) A proxy form accompanies this notice. If a shareholder wishes to appoint more than one proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power of authority by **11.00 am (AEDT) on Wednesday 20 November 2019**:

- online by going to www.votingonline.com.au/knmagm2019
- by post at Boardroom Pty Limited; GPO Box 3993, Sydney NSW 2001 or
- by personal delivery at Boardroom Pty Limited, Level 12, Grosvenor Place, 225 George Street, Sydney NSW 2000; or
- by facsimile: Australia – +61 2 9290 9655.

Voting and other entitlements at the Annual General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations 2001* that shares in the Company which are on issue at **7.00 pm (AEDT) on Wednesday 20 November 2019** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the meeting).

Proxy voting by the Chair

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth), imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel. If you complete a proxy form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on Resolutions 1, 5, 6, 7 and 8. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 5, 6, 7 and 8. If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the form.

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

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolutions 1, 5, 6, 7 and 8, he or she will not vote your proxy on that item of business.

EXPLANATORY MEMORANDUM TO NOTICE OF 2019 ANNUAL GENERAL MEETING

1. Financial and related reports

Item 1	Financial and related reports
Explanation	<p>Section 317 of the Corporations Act requires the Company's financial report, Directors' report and auditor's report for the financial year ended 30 June 2019 to be laid before the Company's 2019 Annual General Meeting. There is no requirement for a formal resolution on this item. The financial report contains the financial statements of the consolidated entity consisting of the Company and its controlled entities.</p> <p>As permitted by the Corporations Act, a printed copy of the Company's 2019 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2019 Annual Report is available from the Company's website (www.kneomedia.com).</p> <p>The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2019, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of William Buck in relation to the conduct of the audit.</p>

2. Adoption of Remuneration Report (non-binding vote)

Resolution 1	Adoption of Remuneration Report (non-binding vote)
Explanation	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2019 Annual Report and is available from the Company's website (www.kneomedia.com).</p> <p>The Remuneration Report:</p> <ul style="list-style-type: none"> ▪ describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance; ▪ sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and ▪ explains the differences between the basis for remunerating Non-Executive Directors and senior executives, including the Chief Executive Officer. <p>The vote on this item is advisory only and does not bind the Directors. The Board will take into account the discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.</p>
Voting Exclusion	A voting exclusion statement applies to this resolution, as set out in the Notice.

Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

3. Re-election of Director

Resolution 2	Re-election of Mr Jeffrey Bennett as Director
Explanation	<p>Article 47 of the Company's constitution requires at least one Director to retire at each annual general meeting of the Company. Under Article 47(b)(i) of the constitution, the Director to retire is the person who has held office as Director for the longest period of time since their last election or appointment to that office.</p> <p>Mr Jeffrey Bennett has held office as Director for the longest period of time since his last re-election to office in 2017, and accordingly retires as a Director at the 2019 Annual General Meeting. Mr Bennett, being eligible under Article 46(c) of the constitution, offers himself for re-election as Director.</p>
About Mr Jeffrey Bennett	<p>Mr Bennett was appointed to the Company's Board as an Executive Director on 19 March 2008. Mr Bennett is considered to be an independent Director.</p> <p>Mr Bennett is a highly experienced finance executive with extensive experience in all facets of finance and business within IT. Mr Bennett has spent the last 10 years at DXC Technology, Computer Sciences Corporation, UXC Limited and Ingena Limited in senior finance roles. Mr Bennett has experience as Chairman of the Board of a publicly listed company and is currently CFO and company secretary of publicly listed company PS&C Ltd. In addition, he has a thorough understanding of the complexities involved with multinationals and companies listed on the ASX. Mr Bennett holds a Bachelor of Commerce and is a Fellow of CPA Australia.</p> <p>Mr Bennett has a relevant interest in 8,319,190 Shares and 2,627,795 Performance Rights in the capital of the Company.</p>
Board Recommendation	The Board, with Mr Jeffrey Bennett abstaining, recommends that shareholders vote in favour of this resolution.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

4. Ratification of previous issue of securities

Resolution 3A	Ratification of issue of June Placement Shares
Explanation	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for an issue of 26,810,000 fully paid ordinary shares on 28 June 2019 (June Placement). The shares were issued under a placement to professional and sophisticated investors.
ASX Listing Rules	On 28 June 2018 the Company issued 26,810,000 fully paid ordinary shares (June Placement Shares) under a placement. These June Placement Shares were issued pursuant to the Company's 10% Placement Capacity under ASX Listing Rule 7.1A.

	<p>As shareholders will be aware, the Company sought and received shareholder approval under ASX Listing Rule 7.1A at the 2018 Annual General Meeting to issue shares of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue Equity Securities under the its 15% Placement Capacity under ASX Listing Rule 7.1 (10% Placement Capacity).</p> <p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the June Placement Shares.</p>												
Reasons for Resolution 3A	<p>The effect of ratification (in accordance with ASX Listing Rule 7.4) of the issue of the June Placement Shares is the reinstatement of the Company's maximum capacity under ASX Listing Rule 7.1A. This will effectively enable the Company to issue further shares of up to an additional 10% of the issued capital of the Company (to the extent permitted by and subject to the conditions prescribed by ASX Listing Rule 7.1A).</p> <p>Save for as otherwise set out in this Notice, the Directors do not currently have any specific intention to make any further issue of shares under ASX Listing Rule 7.1A in the next 12 months.</p> <p>However, the Directors consider it to be appropriate and prudent for approval to be sought at the Meeting, in respect of the relevant issue of shares made by the Company in the last twelve months. The Directors believe this approval will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.</p>												
Information required to be provided under the ASX Listing Rules 7.5	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <table> <tr> <td>No. of securities issued</td> <td>26,810,000 fully paid ordinary shares.</td> </tr> <tr> <td>Issue price per security</td> <td>The June Placement Shares were issued at an issue price of \$0.05 per share.</td> </tr> <tr> <td>Recipient of issue</td> <td>The June Placement Subscribers.</td> </tr> <tr> <td>Terms of securities</td> <td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td> </tr> <tr> <td>Use of funds raised</td> <td>The funds raised (\$1,340,500) were applied towards the Company's general working capital requirements.</td> </tr> <tr> <td>Voting Exclusion Statement</td> <td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td> </tr> </table>	No. of securities issued	26,810,000 fully paid ordinary shares.	Issue price per security	The June Placement Shares were issued at an issue price of \$0.05 per share.	Recipient of issue	The June Placement Subscribers.	Terms of securities	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	Use of funds raised	The funds raised (\$1,340,500) were applied towards the Company's general working capital requirements.	Voting Exclusion Statement	A voting exclusion statement applies to this item of business, as set out in the Notice.
No. of securities issued	26,810,000 fully paid ordinary shares.												
Issue price per security	The June Placement Shares were issued at an issue price of \$0.05 per share.												
Recipient of issue	The June Placement Subscribers.												
Terms of securities	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
Use of funds raised	The funds raised (\$1,340,500) were applied towards the Company's general working capital requirements.												
Voting Exclusion Statement	A voting exclusion statement applies to this item of business, as set out in the Notice.												
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of this resolution.												
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.												

Resolutions 3B – 3F	Ratification of previous issues of securities under ASX Listing Rule 7.1												
Explanation	The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of securities made by the Company during the last 12 months under ASX Listing Rule 7.1.												
ASX Listing Rules	<p>ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue shares during any 12 month period in excess of 15% of the number of shares on issue at the commencement of that 12 month period without shareholder approval.</p> <p>ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1, by permitting the ratification of previous issues of shares which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the 15% threshold set out by Listing Rule 7.1. If shareholders of a company approve the ratification of such previous issues of shares at a general meeting, those shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p> <p>Accordingly, if shareholders ratify the Company's previous issues of Shares (made under ASX Listing Rule 7.1) by way of approving Resolutions 3B, 3C, 3D and 3E, those Shares will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.</p>												
Specific information for Resolution 3B	<p>Resolution 3B seeks shareholder ratification of the issue of 15,356,943 Shares on 14 December 2018 under ASX Listing Rule 7.1 (December Placement Shares).</p> <p>The December Placement Shares were issued under a capital raising placement to professional and sophisticated investors on 14 December 2018 under the Company's 15% Placement Capacity.</p> <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <table border="0"> <tr> <td>No. of securities issued</td> <td>15,356,943 fully paid ordinary shares.</td> </tr> <tr> <td>Issue price</td> <td>\$0.025 per Share.</td> </tr> <tr> <td>Recipient of issue</td> <td>The December Placement Subscribers</td> </tr> <tr> <td>Terms of securities</td> <td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td> </tr> <tr> <td>Use of funds raised</td> <td>The funds raised (\$383,923.58) were applied towards the Company's general working capital requirements.</td> </tr> <tr> <td>Voting Exclusion</td> <td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td> </tr> </table>	No. of securities issued	15,356,943 fully paid ordinary shares.	Issue price	\$0.025 per Share.	Recipient of issue	The December Placement Subscribers	Terms of securities	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	Use of funds raised	The funds raised (\$383,923.58) were applied towards the Company's general working capital requirements.	Voting Exclusion	A voting exclusion statement applies to this item of business, as set out in the Notice.
No. of securities issued	15,356,943 fully paid ordinary shares.												
Issue price	\$0.025 per Share.												
Recipient of issue	The December Placement Subscribers												
Terms of securities	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
Use of funds raised	The funds raised (\$383,923.58) were applied towards the Company's general working capital requirements.												
Voting Exclusion	A voting exclusion statement applies to this item of business, as set out in the Notice.												

<p>Specific information for Resolution 3C</p>	<p>Resolution 3C seeks shareholder ratification of the issue of 32,500,000 Shares on 11 April 2019 under ASX Listing Rule 7.1 (April Placement Shares).</p> <p>The April Placement Shares were issued under a capital raising placement to professional and sophisticated investors on 11 April 2019 under the Company's 15% Placement Capacity.</p> <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <p>No. of securities issued 32,500,000 fully paid ordinary shares.</p> <p>Issue price \$0.022 per Share.</p> <p>Recipient of issue The April Placement Subscribers</p> <p>Terms of securities Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Use of funds raised The funds raised (\$715,000) were applied towards the Company's general working capital requirements.</p> <p>Voting Exclusion A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
<p>Specific information for Resolution 3D</p>	<p>Resolution 3D seeks shareholder ratification of the issue of 13,405,000 options issued on 28 June 2019 under ASX Listing Rule 7.1 (June Attaching Options).</p> <p>The June Attaching Options were issued under a capital raising placement to professional and sophisticated investors on 28 June 2019 under the Company's 15% Placement Capacity as free attaching options to the June Placement Shares.</p> <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <p>No. of securities issued 13,405,000 options to acquire ordinary shares.</p> <p>Issue price The June Attaching Options were issued as free attaching options for nil consideration.</p> <p>Recipient of issue The June Placement Subscribers</p> <p>Terms of securities The June Attaching Options were issued for nil consideration.</p> <p>Each June Attaching Option entitles its holder to acquire one fully paid ordinary share in the Company on the following terms:</p> <ul style="list-style-type: none"> • Exercise price: \$0.10 • Expiry date: 28 June 2021 <p>The June Attaching Options are not quoted on the ASX, but the underlying shares issued upon the exercise of the June Attaching Options will be quoted and will rank equally with all existing ordinary shares on issue in the Company.</p>

	<p>Use of funds raised There were no funds raised from the issue of the May Attaching Options. The funds raised by the issue of the June Placement Shares (\$715,000) were applied towards the Company's general working capital requirements.</p> <p>Voting Exclusion A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
<p>Specific information for Resolution 3E</p>	<p>Resolution 3E seeks shareholder ratification of the issue of 10,000,000 options issued on 28 June 2019 under ASX Listing Rule 7.1 (Broker Options).</p> <p>The Broker Options were issued under ASX Listing Rule 7.1 to the broker who facilitated the June Placement on 28 June 2019 pursuant to the Company's Mandate Agreement with the broker.</p> <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <p>No. of securities issued 10,000,000 options to acquire ordinary shares.</p> <p>Issue price The Broker Options were issued at an issue price of \$0.001 per option.</p> <p>Recipient of issue Nominees of Melbourne Capital Limited</p> <p>Terms of securities Each Broker Option entitles its holder to acquire one fully paid ordinary share in the Company on the following terms:</p> <ul style="list-style-type: none"> • Exercise price: \$0.075 • Expiry date: 28 June 2021 <p>The Broker Options are not quoted on the ASX, but the underlying shares issued upon the exercise of the Broker Options will be quoted and will rank equally with all existing ordinary shares on issue in the Company.</p> <p>Use of funds raised There were no funds raised from the issue of the Broker Options. The funds raised by the issue of the June Placement Shares (\$715,000) were applied towards the Company's general working capital requirements.</p> <p>Voting Exclusion A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
<p>Specific information for Resolution 3F</p>	<p>Resolution 3F seeks shareholder ratification of the issue of 41,458,330 Shares on 18 October 2019 under ASX Listing Rule 7.1 (October Placement Shares). The October Shares were issued under a capital raising placement to professional and sophisticated investors on 18 October 2019 under the Company's 15% Placement Capacity.</p> <p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <p>No. of securities issued 41,458,330 fully paid ordinary shares.</p> <p>Issue price \$0.03 per Share.</p> <p>Recipient of issue The October Placement Subscribers</p> <p>Terms of securities Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Use of funds raised The funds raised (\$1,243,749.90) were applied</p>

	<p>towards the Company's general working capital requirements.</p> <p>Voting Exclusion A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
Board Recommendation	<p>The Directors believe that it is in the best interests of the Company to maintain its ability to issue up to 15% of its issued capital under ASX Listing Rule 7.1. The Directors consider it to be appropriate and prudent for approval to be sought at the Meeting, in respect of the relevant issues of securities made by the Company in the last 12 months, as this approval will enhance the Company's flexibility to raise equity capital, should the Directors consider that it is in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if this approval is not obtained at the Meeting, the Company may be required to incur the additional costs and delay of convening another extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p> <p>Accordingly, the Board recommends that shareholders vote in favour of Resolutions 3B, 3C, 3D, 3E and 3F.</p>
Chairman's available proxies	<p>The Chairman intends to vote all available proxies in favour of Resolutions 3B, 3C, 3D, 3E and 3F.</p>

5. Approval of 10% Placement Capacity

Resolution 4	Approval of 10% placement capacity
General	<p>Under ASX Listing Rule 7.1, every listed entity has the ability to issue 15% of its issued capital without shareholder approval in a 12-month period. ASX Listing Rule 7.1A permits eligible small and mid-cap ASX-listed entities, subject to shareholder approval, to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue securities under Listing Rule 7.1 (10% Placement Capacity).</p> <p>The Company seeks shareholder approval under ASX Listing Rule 7.1A for the 10% Placement Capacity. The effect of this resolution will be to allow the Company, subject to the conditions set out below, to issue Equity Securities under the 10% Placement Capacity without using the Company's 15% placement capacity under ASX Listing Rule 7.1.</p> <p>Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.</p>
Eligibility	<p>ASX-listed entities which have a market capitalisation of \$300 million or less, and which are not included in the S&P/ASX 300 Index will be considered eligible to seek shareholder approval under ASX Listing Rule 7.1A.</p> <p>As at the date of this Notice, the Company, which has a market capitalisation of less than \$300 million, is not included in the S&P/ASX 300 Index. Accordingly, the Company is considered eligible to seek shareholder approval under ASX Listing Rule 7.1A.</p>
Formula	<p>The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out ASX Listing</p>

	<p>Rule 7.1A.2 as follows:</p> <p style="text-align: center;">(A x D) - E</p> <p>Where:</p> <p>A is the number of shares on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none"> ▪ plus the number of fully paid shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2; ▪ plus the number of partly paid shares that became fully paid in the previous 12 months (there are presently no partly paid shares on issue in the Company); ▪ plus the number of shares issued in the previous 12 months with approval of shareholders under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval; and ▪ less the number of shares cancelled in the previous 12 months. <p><i>'A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity</i></p> <p>D is 10%.</p> <p>E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.</p>
<p>Conditions of issue under the 10% Placement Capacity</p>	<p>There are a number of conditions applicable to the issue of Equity Securities under ASX Listing Rule 7.1A, including a limitation on the discount to prevailing market price at which they may be issued, and additional disclosure requirements. A summary of these conditions is as follows:</p> <p>(a) Equity Securities issued under the 10% Placement Capacity can only be in a class of securities already quoted. At the date of this Notice, the Company only has one class of securities which are quoted, being ordinary shares.</p> <p>(b) The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the volume weighted average market price (VWAP) for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:</p> <ol style="list-style-type: none"> i. the date on which the price at which the Equity Securities are to be issued is agreed; or ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the securities are issued.
<p>Period of validity of shareholder approval</p>	<p>In the event that the Company obtains shareholder approval for Resolution 3, such approval will cease to be valid upon the earlier of:</p> <p>(a) 12 months after the date of this Annual General Meeting, being 22 November 2020; or</p> <p>(b) if applicable, the date on which the Company's shareholders approve a change to the nature or scale of the Company's activities under ASX Listing Rule 11.1.2, or the disposal of the Company's main undertaking under ASX Listing Rule 11.2.</p> <p>(Placement Period).</p>

INFORMATION TO BE PROVIDED TO SHAREHOLDERS UNDER ASX LISTING RULE 7.3A

Minimum issue price

The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:

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

Risk of dilution to shareholders

If Resolution 4 is approved by shareholders, any issue of Equity Securities under the 10% Placement Capacity may present a risk of economic and voting dilution of existing shareholders, including the risk that:

- the market price of the Company's Equity Securities may be significantly lower on the relevant issue date than on the date of this Meeting; and
- the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The table below shows the potential dilution of existing shareholders under various scenarios on the basis of:

- an issue price of \$0.031 per Share which was the closing price of the Company's shares on the ASX on 7 October 2019; and
- the variable 'A' being calculated as the number of fully paid ordinary shares on issue on the date of this Notice, being 755,342,894.

The table also shows:

- (a) two examples where variable 'A' has increased by 50% and 100%. The number of shares on issue in the Company may increase as a result of the issue of shares that do not require approval of shareholders (for example, pro-rata entitlement issues or scrip issues under takeover offers) or future placements of shares under ASX Listing Rule 7.1 of up to 15% of issued capital that are approved at future general meetings of shareholders; and
- (b) two examples of where the issue price of shares has decreased by 50% and increased by 100%.

VARIABLE 'A'		Dilution		
		50% decrease in issue price \$0.0155	Issue price \$0.031	100% increase in issue price \$0.062
Current Variable 'A' 755,342,894 shares	10% voting dilution	75,534,289 shares	75,534,289 shares	75,534,289 shares
	Funds raised	\$1,170,781	\$2,341,563	\$4,683,126
50% increase in current Variable 'A' 1,113,014,341 shares	10% voting dilution	113,301,434 shares	113,301,434 shares	113,301,434 shares
	Funds raised	\$1,756,172	\$3,512,344	\$7,024,689
100% increase in current Variable 'A' 1,510,685,788 shares	10% voting dilution	151,068,579 shares	151,068,579 shares	151,068,579 shares
	Funds raised	\$2,341,563	\$4,683,126	\$9,366,252

	<p>The table has been prepared on the following assumptions:</p> <ul style="list-style-type: none"> (a) the Company issues the maximum number of shares available under the 10% Placement Capacity; (b) no options to acquire shares on issue in the Company are exercised and no convertible notes on issue are converted; (c) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue; (d) the table does not show an example of dilution that may be caused to a particular shareholder as a result of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Meeting; (e) the table shows only the effect of issues of Equity Securities under the 10% Placement Capacity in accordance with ASX Listing Rule 7.1A and not under the 15% placement capacity under ASX Listing Rule 7.1; (f) the issue of Equity Securities under the 10% Placement Capacity consists only of shares; and (g) the issue price is \$0.031, being the closing price of the Company's shares on the ASX on 7 October 2019.
Period of validity	<p>The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).</p>
Reason for issue of shares under 10% Placement Capacity	<p>The Company may seek to issue the Equity Securities for the following purposes:</p> <ul style="list-style-type: none"> (a) non-cash consideration for the acquisition of new assets, businesses or investments, in which event the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or (b) cash consideration, the proceeds of which will be applied to fund the Company's existing and future activities, including research and development and commercialisation of the Company's product offerings; marketing activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital. <p>The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.</p>
Allocation policy	<p>The Company may not issue any or all the Equity Securities for which approval is given and may issue the Equity Securities progressively as the Company places the Equity Securities with investors.</p> <p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors such as:</p> <ul style="list-style-type: none"> 1. fund raising options (and their viability) available to the Company at the relevant time; 2. the effect of the issue of the Equity Securities on the control of the Company;

	<p>3. the financial situation of the Company and the urgency of the requirement for funds; and</p> <p>4. advice from the Company's corporate, financial, legal and broking advisers.</p> <p>The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice. It is intended that the allottees will be suitable professional and sophisticated investors, and other investors not requiring a disclosure document under section 708 of the Corporations Act, that are known to the Company and/or introduced by third parties.</p> <p>The allottees may include existing substantial shareholders and/or new shareholders, but the allottees will not be related parties of the Company.</p> <p>In the event that the shares under the 10% Placement Capacity are issued as consideration for the acquisition of businesses, assets or investments, it is likely that the allottees will be the vendors of such businesses, assets or investments.</p>										
<p>Previous approval</p>	<p>The Company previously obtained approval under ASX Listing Rule 7.1A on 22 November 2018. In accordance with ASX Listing Rule 7.3A.6, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1A, the following information is provided to shareholders:</p> <p>As at 22 November 2018, being the date that is 12 months prior to the 2019 Annual General Meeting, the Company had the following Equity Securities on issue:</p> <table border="1" data-bbox="472 925 1431 1249"> <thead> <tr> <th>Class of Equity Securities</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Fully paid ordinary shares</td> <td>638,987,847</td> </tr> <tr> <td>Options expiring 20 November 2020 exercisable at \$0.0585</td> <td>5,000,000</td> </tr> <tr> <td>Performance rights</td> <td>10,511,180</td> </tr> <tr> <td>TOTAL</td> <td>654,499,027</td> </tr> </tbody> </table>	Class of Equity Securities	Number	Fully paid ordinary shares	638,987,847	Options expiring 20 November 2020 exercisable at \$0.0585	5,000,000	Performance rights	10,511,180	TOTAL	654,499,027
Class of Equity Securities	Number										
Fully paid ordinary shares	638,987,847										
Options expiring 20 November 2020 exercisable at \$0.0585	5,000,000										
Performance rights	10,511,180										
TOTAL	654,499,027										

The table below shows the number and type of Equity Securities issued by the Company in the 12 months preceding the Meeting, and the percentage they represent of the total number of Equity Securities on issue at 22 November 2018 (being 654,499,027).

Date of issue	Class of Equity Securities	No. issued	% of total number of Equity Securities	Reason for issue	Recipient of issue	Issue price per security (\$)	Discount to market price on date of issue	Total cash consideration (\$)	Use of funds
18/10/2019	Shares	41,458,330	6.33%	Capital Raising in October 19	Placement Subscribers	\$0.03	6.25% Discount	\$1,243,749.90	Working Capital
28/06/2019	Options	26,810,000	4.10%	Capital Raising in June 19	Placement Subscribers	\$0.05	13.64% Premium	\$1,340,500.00	Working Capital
28/06/2019	Options	13,405,000	2.05%	Issued as free attaching options to capital raising shares issued on 28 June 2019	Subscribers to Jun 19 placement	N/A	N/A	N/A	N/A
28/06/2019	Options	10,000,000	1.53%	Part consideration for capital raising services for June 19 placement	Nominees of brokers to June 19 placement	\$0.001	97% Discount	\$10,000.00	Part consideration for capital raising services for June 19 placement
11/04/2019	Shares	32,500,000	4.97%	Capital Raising in April 19	Placement Subscribers	\$0.022	21.43% Discount	\$715,000.00	Working Capital
14/12/2018	Shares	15,356,943	2.35%	Capital Raising in December 18	Placement Subscribers	\$0.025	13.79% Discount	\$383,923.58	Working Capital
14/12/2018	Shares	229,774	0.04%	Issued in lieu of accrued Director fees	Jeffrey Bennett	\$0.067 (deemed)	131% Premium	\$15,394.86	Nil, outstanding fees of \$15,400.00 owing to the Director were satisfied as a result
TOTAL		139,760,047	21.35%					\$3,708,568.33	

Terms of Equity Securities issued in preceding 12 months	All Shares issued by the Company in the 12 months preceding the Meeting have the same terms and rank equally in all respects with existing shares in the Company.
Application of funds raised through issue of Equity Securities	The Company has raised a total of \$3,708,568.33 in cash through the issue of Equity Securities during the 12 months preceding the Meeting. The Company has applied the funds in full towards the repayment of debt, research, development and marketing of its products, and its working capital requirements including its corporate and administrative overheads.
Voting Exclusion	A voting exclusion statement applies to this resolution, as set out in the Notice.
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of this resolution.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

6. Approval of the Long-Term Incentive Plan (LTIP)

Resolution 5	Approval of the Long Term Incentive Plan (LTIP)
Explanation	Resolution 5 seeks shareholder approval for the Company's Long-Term Incentive Plan (LTIP) for the purposes of the Listing Rules and the Corporations Act.
ASX Listing Rules	<p>Listing Rule 7.1 provides that a company may not issue Equity Securities, or agree to issue Equity Securities, without the approval of shareholders, if the number of Equity Securities to be issued in any 12 month period (including shares issued on the exercise of any options) exceeds 15% of the issued capital of the company preceding the issue.</p> <p>Listing Rule 7.2 contains a number of exceptions to the prohibition contained in Listing Rule 7.1. In particular, under Exception 9 in Listing Rule 7.2, any Equity Securities issued under an employee incentive scheme within three years of the date on which shareholders approve the issue of those Equity Securities are not counted for the purposes of Listing Rule 7.1. Resolution 5 is designed to satisfy the requirements of Listing Rule 7.2.</p>
Corporations Act	<p>Section 259B(1) of the Corporations Act prohibits a company from taking security over its shares except as permitted by section 259B(2). Section 259B(2) states that a company may take security over shares in itself under an employee share scheme that has been approved by resolution passed at a general meeting of the company.</p> <p>Section 260A(1)(c) of the Corporations Act prohibits a company from financially assisting a person to acquire shares in itself except as permitted by section 260(C). Section 260(C)(4) provides for special exemption for approved employee shares schemes and states that financial assistance is exempted from section 260(A) if a resolution is passed at a general meeting of the company. Accordingly, shareholder approval is sought under Resolution 5 to ensure compliance with these sections of the Corporations Act.</p>
Purpose of LTIP	The purpose of the LTIP is to provide incentives to management and directors of the Company who are integral to the operations and ongoing success of the Company.

	<p>These incentives are designed to encourage greater productivity from directors and management and to better enable the Company to retain its management personnel in a highly competitive industry. Should Resolution 5 be passed, the Company will have the necessary flexibility to issue securities as an incentive to management personnel, and the issue of securities under the LTIP will not be included within the Company's placement capacity pursuant to Listing Rule 7.1. A summary of the LTIP is provided below.</p>
<p>Details of the LTIP</p>	<p>General</p> <p>The LTIP is intended to retain and motivate the Company's management team.</p> <p>Under the LTIP, the Board has the discretion to offer shares or grant options and performance rights to eligible employees (which includes directors) of the Company or a related body corporate. An offer of shares may be accompanied by an offer of a loan (acquisition loan) from the Company or a related body corporate to acquire the shares. Note: there is no current proposal to offer shares or acquisition loans under the LTIP.</p> <p>Both options and performance rights give a participant in the LTIP a right to acquire shares in the Company subject to the achievement of both time based and performance based vesting conditions, with options requiring the payment of an exercise price to acquire the shares and a performance right not requiring the payment of an exercise price. The Board has the discretion to amend the rules of the LTIP (including respectively in respect of previous awards of shares, options or performance rights) but not so as to reduce the rights of participants, except where necessary to correct obvious errors or mistakes or to comply with legal requirements or where agreed by the participant. Awards under the LTIP are made at the Board's discretion.</p> <p>Eligibility</p> <p>The rules allow for offers under the LTIP to be made to any employee of the Company or a related body corporate, including directors, or such other person as the Board determines. However, it has been the case and it is currently intended to continue to be the case that participation in the LTIP will only be offered to the Company's senior executive leadership team including directors.</p> <p>Issue of shares and grant of options and performance rights</p> <p>Shares, options and performance rights may be issued under the LTIP subject to vesting conditions, including time and performance based hurdles.</p> <p>The Board determines the details of the vesting conditions attaching to shares, options and performance rights under the LTIP prior to offers of participation being made. Shares, options or performance rights will only vest (under normal circumstances) upon satisfaction of the time and performance based vesting conditions. If those conditions are not met, shares will be bought back or the options or performance rights will generally expire and not be capable of exercise. No amount is payable on the grant of options or performance rights offered under the LTIP.</p> <p>Delivery of shares</p> <p>Shares in the Company will be delivered to participants upon exercise of vested options or performance rights. On exercise, the Company may deliver shares by new issue or by purchasing shares for transfer to participants. No exercise price is payable on the exercise of performance rights unless otherwise determined by the Board at the date of grant.</p>

	<p>Buy-back of shares</p> <p>The LTIP provides for the buy-back of shares offered under the LTIP in certain circumstances, including on the forfeiture of the shares. Buy-back proceeds must be applied towards the repayment of any acquisition loan used to acquire the shares.</p> <p>Change of control</p> <p>On a change of control of the Company, the Board has discretion to waive the vesting conditions applicable to unvested options and performance rights, subject to such terms and conditions as it determines.</p> <p>Plan limits</p> <p>Issues of shares including on exercise of options or performance rights granted under the LTIP will be subject to a cap of 5% of the issued share capital of the Company, inclusive of shares that may be issued under other employee incentive schemes of the Company for employees and non-executive directors, but disregarding offers made outside of Australia, made under a prospectus or other disclosure document or which do not require a disclosure document.</p> <p>Expiry of options and performance rights</p> <p>Unless otherwise determined by the Board in its discretion, options and performance rights which have not been exercised will expire and cease to exist on the expiry date specified at the date of grant or upon the Board making a determination that the options or performance rights are to be forfeited.</p> <p>Restrictions on shares and forfeiture conditions</p> <p>Shares, options and performance rights, and shares delivered on exercise, may be subject to forfeiture (subject to lifting at the discretion of the Board) if a participant commits any act of fraud, defalcation or gross misconduct in relation to the Company or a related body corporate. In addition, the Board can decide, on the offer of shares or the grant of options or performance rights under the LTIP the circumstances under which the shares, options or performance rights are to be forfeited in additional circumstances, such as the termination or cessation of employment. Shares delivered on exercise of options or performance rights may be subject to disposal restrictions (subject to removal at the discretion of the Board).</p> <p>Hedging economic exposure prohibited</p> <p>Without limiting the prohibitions in Part 2D.7 of the Corporations Act (ban on hedging remuneration of key management personnel), the terms of the LTIP prohibit entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under the LTIP.</p>
Securities issued under LTIP	Since the date of the last approval by shareholders of the LTIP, being the 2016 Extraordinary General Meeting held on 15 March 2016, 10,511,180 performance rights have been issued under the LTIP.
Voting Exclusion	A voting exclusion statement applies to this item of business, as set out in the Notice.
Board Recommendation	As the Directors may participate in the LTIP they do not provide any recommendation to shareholders in relation to this Resolution 5.
Chairman's available proxies	The Chairman of the Meeting intends to vote all available proxies in favour of this item of business.

Resolutions 6 to 8 (inclusive)	Approval of the issue of Performance Rights to Messrs Kellett, Bennett and Lieberman pursuant to the LTIP
<p>Description</p>	<p>Resolutions 6 to 8 (inclusive) seek shareholder approval for the issue of:</p> <ol style="list-style-type: none"> 1. 5,255,590 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr James Kellett, the Company's Executive Chairman and CEO, or his nominee(s) (Kellett Performance Rights); 2. 2,627,795 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Jeffrey Bennett, a Non-Executive Director of the Company, or his nominee(s) (Bennett Performance Rights); and 3. 2,627,795 performance rights, each to acquire 1 ordinary fully paid share in the Company, to Mr Frank Lieberman, an Executive Director of the Company, or his nominee(s) (Lieberman Performance Rights).
<p>Shareholder Approval</p>	<p>Shareholder approval of the issue of the Kellett Performance Rights, Bennett Performance Rights and Lieberman Performance Rights is sought for all purposes under the Corporations Act and the ASX Listing Rules, including for the following purposes:</p> <p>ASX Listing Rules</p> <p>In general, Listing Rule 10.14 provides that a company must not permit a director, an associate of a director, or a person whose relationship with the Company is, in ASX's opinion, such that approval should be obtained, to acquire securities under an employee incentive scheme without shareholder approval.</p> <p>In accordance with the Listing Rules, shareholders are being asked under Resolutions 6 to 8 (inclusive) to approve the grant of the Kellett Performance Rights, Bennett Performance Rights and Lieberman Performance Rights under the LTIP (collectively the Performance Rights), and to the extent those Performance Rights vest, the underlying ordinary shares (Performance Shares).</p> <p>In considering the issue of performance rights to Mr Jeffrey Bennett, a Non-Executive Director, the Board acknowledges that the grant of performance rights to a Non-Executive Director is contrary to the ASX Corporate Governance Principles and Recommendations which recommend that non-executive directors should normally be remunerated by way of fees, should not participate in schemes designed for remuneration of executives and should not receive options or performance rights. However, the Board considers the grant of the Bennett Performance Rights constitutes cost effective consideration to Mr Bennett for his ongoing commitment and contribution to the Company and constitutes reasonable remuneration to the Director in the circumstances of the Company and the Directors (including their responsibilities as Directors of the Company).</p> <p>Corporations Act</p> <p>Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties of a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies or shareholder approval is obtained.</p> <p>A "financial benefit" is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. The giving of a financial benefit to a related party of a public company is ordinarily prohibited by Chapter 2E of the Corporations Act. One exception to the general rule is where the benefit constitutes</p>

	<p>“reasonable remuneration” in respect of the duties and responsibilities of the related party in the management of the public company.</p> <p>Currently, the Company’s Executive Chairman and CEO Mr James Kellett receives Directors’ fees of \$375,000 per annum excluding superannuation, Non-Executive Director Mr Jeffrey Bennett receives Directors’ fees of \$42,000 per annum excluding superannuation and Executive Director Mr Frank Lieberman receives Directors’ fees of \$116,689 per annum excluding superannuation.</p> <p>The remuneration that the Directors receive for performing their duties as a Director is below the average remuneration levels for directors of companies with similar size to the Company’s. The grant of the Performance Rights is a cash free, effective and efficient way to provide the Directors with an appropriate and market level of Directors’ remuneration.</p> <p>An alternative to the issue of the Performance Rights would be to increase the Directors’ cash remuneration. However, given the current stage of development of the Company, and the necessity for cash resources to be preserved and directed into the growth of the Company’s business, the Board considers the issue of the Performance Rights to be an appropriate cash-free method of remunerating the Directors for their commitment and contribution to the Company.</p> <p>On this basis, in the view of the Board, the issue of the Performance Rights constitutes “reasonable remuneration” in respect of the Directors and, as the provision of such a benefit is expressly permitted by section 211(1) of the Corporations Act, the Board does not consider the Company is required to seek shareholder approval in order to give the Directors the financial benefit that is inherent in the issue to them of the Performance Rights.</p> <p>Accordingly, Resolutions 6 to 8 (inclusive) do not seek approval for the purposes of Chapter 2E of the Corporations Act.</p>
<p>Terms of Performance Rights</p>	<p>All Performance Rights the subject of Resolutions 6 to 8 (inclusive) have the same terms and vesting conditions, which include the following:</p> <ul style="list-style-type: none"> ▪ The Performance Rights are subject to the following vesting conditions (Performance Hurdles): <ul style="list-style-type: none"> ○ KNeoMedia’s achievement of \$5 million gross revenue during any given 12 consecutive months (Revenue Hurdle); and ○ The holder continues as a Director until the date that the Revenue Hurdle is achieved. ▪ The Performance Rights will lapse if the Performance Hurdles are not achieved by 31 December 2022 (Performance Hurdle Expiry Date). ▪ Subject to the satisfaction of the Performance Hurdles in relation to each Director, the relevant Director will receive one share in the Company for each vested Performance Right. Any Performance Right which does not vest according to the vesting requirements by the Performance Hurdle Expiry Date will lapse. ▪ No cash consideration is payable for the issue of the Performance Rights, or on the issue of the underlying Performance Shares upon the vesting of the Performance Rights. ▪ Subject to the Listing Rules, the Board has discretion in circumstances of death, disability or bona fide redundancy to vary the service condition and

	<p>reduce the number of Performance Rights for a lesser period of service, in accordance with the LTIP.</p> <ul style="list-style-type: none"> ▪ The Performance Rights issued will not be listed on ASX and will not be transferable, except as permitted under the LTIP.
<p>Disclosures made for the purposes of Listing Rule 10.15</p>	<p>To enable shareholder approval to be effectively obtained under Listing Rule 10.14, the following information is provided in respect of the Kellett Performance Rights, Bennett Performance Rights and Lieberman Performance Rights:</p> <p>(a) The number of Performance Rights to be granted to Messrs Kellett, Bennett and Lieberman if Resolutions 6 to 8 (inclusive) are approved is 5,255,590; 2,627,795; and 2,627,795 respectively, each exercisable for one ordinary share in KNeoMedia. The maximum number of shares that may be issued upon exercise of the Kellett Performance Rights the subject of Resolution 6 is 5,255,590; the maximum number of shares that may be issued upon exercise of the Bennett Performance Rights the subject of Resolution 7 is 2,627,795; and the maximum number of shares that may be issued upon exercise of the Lieberman Performance Rights the subject of Resolution 8 is 2,627,795. Upon exercise of the Performance Rights, the underlying Performance Shares will rank equally with all other ordinary shares of the Company on issue.</p> <p>(b) The price payable on the issue of each Performance Right is nil. Once the Performance Hurdles are met, the Performance Rights vest and each of Messrs Kellett, Bennett or Lieberman may call for the underlying Performance Shares to be issued to him.</p> <p>(c) All persons referred to in ASX Listing Rule 10.14 who have received securities under the LTIP since the last approval are:</p> <ul style="list-style-type: none"> ▪ Mr James Kellett, who received 5,256,000 performance rights for nil consideration (these performance rights have now been cancelled and will be replaced by the Kellett Performance Rights if Resolution 6 is approved); ▪ Mr Jeffrey Bennett, who received 2,628,000 performance rights for nil consideration (these performance rights have now been cancelled and will be replaced by the Bennett Performance Rights if Resolution 7 is approved); and ▪ Mr Frank Lieberman who received 2,628,000 performance rights for nil consideration (these performance rights have now been cancelled and will be replaced by the Lieberman Performance Rights if Resolution 8 is approved). <p>(d) The names of the persons referred to in Listing Rule 10.14 entitled to participate in the LTIP are Messrs James Kellett, Jeffrey Bennett and Frank Lieberman.</p> <p>(e) Voting exclusion statements apply to Resolutions 6 to 8 (inclusive) and are included in the Notice.</p> <p>(f) There is no loan proposed in relation to the proposed award of the Performance Rights to Messrs James Kellett, Jeffrey Bennett and Frank Lieberman.</p> <p>(g) Subject to approval, it is proposed that the Performance Rights be granted to James Kellett, Jeffrey Bennett Frank Lieberman within 1 month of the</p>

	<p>Meeting, but in any event no later than 12 months after the date of the Meeting.</p> <p>(h) Details of any Performance Rights issued under the LTIP will be published in each annual report of the Company relating to the period in which the Performance Rights were issued and, where applicable, it will be noted that approval for the issue of the Performance Rights was obtained under Listing Rule 10.14.</p>
Details of the LTIP	See pages 13, 14 and of this Explanatory Memorandum for details of the LTIP.
Other Information	The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass Resolutions 6 to 8 (inclusive).

Resolution 9	Approval of issue of Shares to UK director in lieu of fees
Explanation	Resolution 9, which is an ordinary resolution, seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of [2,800,000] fully paid ordinary shares in the Company to Lord Anthony St. John in lieu of fees payable to him for his role as the chairman of the Company's UK subsidiary over 12 months, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Reason for Resolution 9	The effect of Resolution 9 will be to allow the Company to issue Shares to Lord Anthony St. John during the period of 3 months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 7.1 Capacity.
Specific information required by ASX Listing Rule 7.3	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p> <p>Maximum no. of securities to be issued 3,138,991 fully paid ordinary shares.</p> <p>Date by which securities will be issued If shareholder approval is obtained for Resolution 9, the Company will issue Shares to Lord Anthony St. John as soon as is practicable after the General Meeting, or in any event no later than 3 months after the date of the Extraordinary General Meeting (or such longer period of time as ASX may in its discretion allow).</p> <p>Issue price per security The Shares will be issued to Lord St. John for nil cash consideration and at a deemed issue price of \$0.0266 per share. The deemed issue price reflects the sum of the volume weighted average price of the shares over the 5 days before the end of each month over the 12-month period for which shares are being issued in lieu of fees. Mr. St. John's fees for his role as a director the Company's UK subsidiary are USD5,000 per month (Fee). The Fee is converted to AUD at the end of each</p>

	<p>relevant month at the exchange rate at that time and then divided by the VWAP of the Shares for the 5 days over that month; the sum of this calculation over the relevant 12 months is \$0.0266.</p> <p>Recipient of issue The Shares will be issued to Lord Anthony St. John or his nominee.</p> <p>Terms of securities The Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Use of funds raised No funds will be raised from the issue of the Shares as they are being issued for nil cash consideration but as consideration for the services provided by Lord St. John for his role as a director of the Company's UK subsidiary.</p> <p>Voting Exclusion Statement A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
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Resolution 10	Approval of issue of Shares to Consultant in lieu of fees
Explanation	Resolution 10, which is an ordinary resolution, seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 902,356 to Muan Lim in lieu of fees payable to him for provision of advisory services on the Company's operations in Asia, without using the Company's 15% placement capacity under ASX Listing Rule 7.1.
Reason for Resolution 10	The effect of Resolution 10 will be to allow the Company to issue the Shares to Mr Lim during the period of 3 months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 7.1 Capacity.
Specific information required by ASX Listing Rule 7.3	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p> <p>Maximum no. of securities to be issued 902,356 fully paid ordinary shares.</p> <p>Date by which securities will be issued If shareholder approval is obtained for Resolution 10, the Company will issue the Shares as soon as is practicable after the General Meeting, and in any event no later than 3 months after the date of the General Meeting (or such longer period of time as ASX may in its discretion allow).</p> <p>Issue price per security The Shares will be issued for nil cash consideration and at a deemed issue price of \$0.0266 per share. The deemed issue price reflects the sum of the volume weighted average price of the shares over the 5 days</p>

		<p>before the end of each month over the 12-month period for which shares are being issued in lieu of fees. Mr. Lim's fees for his role as an advisor on Asian operations are \$2,000 per month (Fee). The Fee is divided by the VWAP of the Shares for the 5 days over each relevant month; the sum of this calculation over the relevant 12 months is \$0.0266.</p> <p>Recipient of issue The Shares will be issued to Mr Muan Lim or his nominee.</p> <p>Terms of securities The Shares are fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</p> <p>Use of funds raised No funds will be raised from the issue of the Shares as they are being issued for nil cash consideration but as consideration for the services provided by Mr Muan Lim.</p> <p>Voting Exclusion Statement A voting exclusion statement applies to this item of business, as set out in the Notice.</p>
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DEFINITIONS

10% Placement Capacity	means the Company's capacity to issue quoted Equity Securities under ASX Listing Rule 7.1A.
15% Placement Capacity	means the Company's capacity to issue Equity Securities under ASX Listing Rule 7.1.
April Placement	means the placement of the April Placement Shares on 11 April 2019.
April Placement Shares	means the 32,500,000 fully paid ordinary shares the subject of Resolution 3C which were issued on 11 April 2019 under ASX Listing 7.1.
April Placement Subscribers	means the various professional and sophisticated investors who subscribed to the April Placement and received the April Placement Shares.
Broker Options	means the 10,000,000 options the subject of Resolution 3E which were issued under the Company's 15% Placement Capacity to the broker who facilitated the June Placement on 28 June 2019.
Board	means the Company's board of directors.
Constitution	means the constitution of KNeoMedia Limited.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Company or KNeoMedia	means KNeoMedia Limited ACN 009 221 783.
Closely Related Party (of a member of KMP of an entity)	has the definition given to it by section 9 of the Corporations Act, and means; <ul style="list-style-type: none"> a) a spouse or child of the member; or b) a child of the member's spouse; or c) a dependant of the member or of the member's spouse; or d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or e) a company the member controls; or f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage).
December Placement	means the placement of the December Placement Shares on 14 December 2018.
December Placement Shares	means the 15,586,717 fully paid ordinary shares the subject of Resolution 3B which were issued on 14 December 2018 under ASX Listing 7.1.
December Placement Subscribers	means the various professional and sophisticated investors who subscribed to the December Placement and received the December Placement Shares.
Director	means a director of the Board of KNeoMedia Limited.
Equity Security	Means: <ul style="list-style-type: none"> a) a share; b) a right to a share or option; c) an option over an issued or unissued security; d) a convertible security; e) any security that ASX decides to classify as an equity security.
Explanatory Memorandum	means this explanatory memorandum accompanying and forming part of this Notice.

June Attaching Options	means the 13,405,000 options to acquire ordinary shares the subject of Resolution 3D which were issued to the June Placement Subscribers on 28 June 2019 under ASX Listing 7.1 as free attaching options to the June Placement Shares.
June Placement	means the capital raising placement under which the June Placement Shares were issued to the June Placement Subscribers on 28 June 2019 under the Company's 10% Placement Capacity pursuant to ASX Listing Rule 7.1A.
June Placement Shares	means the 26,810,000 fully paid ordinary shares the subject of Resolution 3A which were issued on 28 June 2019 under ASX Listing Rule 7.1A as part of the June Placement.
June Placement Subscribers	means the various professional and sophisticated investors who subscribed to the Placement and received the June Placement Shares and June Attaching Options.
June Placement Subscribers	means the various professional and sophisticated investors who subscribed to the June Placement and received June Placement Shares and June Attaching Options.
Key Management Personnel or KMP	means those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
Long Term Incentive Plan or LTIP	means the Company's Long Term Incentive Plan.
Meeting	means the annual general meeting of the Company for 2019 to which the Notice relates.
Notice	means this notice of meeting of the Company, including the accompanying Explanatory Memorandum.
October Placement	means the placement of the October Placement Shares on 18 October 2019.
October Placement Shares	means the 41,458,330 fully paid ordinary shares the subject of Resolution 3F which were issued on 18 October 2019 under ASX Listing 7.1.
October Placement Subscribers	means the various professional and sophisticated investors who subscribed to the October Placement and received the October Placement Shares.
Option	means an Option to acquire a Share.
Performance Right	means a contractual right to receive a Share if nominated performance milestones are achieved.
Resolution	means a resolution set out in this Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of at least one Share.

-ENDS-



All Correspondence to:

-  **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** www.boardroomlimited.com.au
-  **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEDT) on Wednesday 20 November 2019.**

TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/knmagm2019>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (AEDT) on Wednesday 20 November 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **Online** <https://www.votingonline.com.au/knmagm2019>
-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Your Address
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **KNeoMedia Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **Holding Redlich, Birrarung Marr Room, Level 8, 555 Bourke Street, Melbourne on Friday, 22 November 2019 at 11:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 and 5 to 8, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 5 to 8 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 5 to 8). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS
* 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 vote will not be counted in calculating the required majority if a poll is called.

	FOR	AGAINST	ABSTAIN*		FOR	AGAINST	ABSTAIN*
Res 1 Adoption of Remuneration Report (non-binding vote)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 4 Approval of 10% Placement Capacity under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2 Re-election of Mr Jeffrey Bennett as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 5 Approval of Long-Term Incentive Plan (LTIP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3A Ratification of issue of June Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 6 Approval of the issue of Performance Rights to Mr James Kellett pursuant to the LTIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3B Ratification of issue of December Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 7 Approval of the issue of Performance Rights to Mr Jeffrey Bennett pursuant to the LTIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3C Ratification of issue of April Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8 Approval of the issue of Performance Rights to Mr Frank Lieberman pursuant to the LTIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3D Ratification of issue of June Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9 Approval of issue of Shares to UK director in lieu of fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3E Ratification of issue of Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10 Approval of issue of Shares to Consultant in lieu of fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3F Ratification of issue of October Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

STEP 3 SIGNATURE OF SECURITYHOLDERS
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Sole Director and Sole Company Secretary	Securityholder 2 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Director	Securityholder 3 <div style="border: 1px solid black; height: 30px; margin: 5px 0;"></div> Director / Company Secretary
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