

SPECTUR LIMITED

ACN 140 151 579



Notice of Annual General Meeting, Explanatory Statement and Proxy Form

Annual General Meeting to be held at:

PLACE: Spectur Limited
2/6 Merino Entrance
Cockburn Central
PERTH WA 6164

TIME: 9:00am (WST)

DATE: Friday, 23 November 2018

IMPORTANT NOTE

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

Important Information

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Important Dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms - Proxy Forms received after this time will be disregarded	9.00am (WST) on 21 November 2018
Snapshot date for eligibility to vote	5.00pm (WST) on 21 November 2018
Annual General Meeting	9:00am (WST) on 23 November 2018

Defined Terms

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

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Spectur Limited (ACN 140 151 579) (**Company**) will be held at the offices of the Company located 2/6 Merino Entrance, Cockburn Central, Western Australia at **9:00am (WST) on 23 November 2018**.

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

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

AGENDA

Receipt of Financial Statements and Reports

To receive and consider the annual financial report, Directors' report and Auditor's report of the Company for the financial year ended 30 June 2018, as contained in the Company's Annual Report.

Resolution 1: Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2018, as contained in the Company's Annual Report for 2018, be adopted by the Company."

Notes: In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the offices of Director are vacated (other than the office of managing director) and each such office will be put to a vote. Refer to the Explanatory Statement for further information.

Resolution 2: Re-election of Director – Mr Darren Cooper

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

"That, for the purposes of Listing Rule 14.4, article 6.2(c) of the Company's Constitution and for all other purposes, Mr Darren John Cooper, a Director who retires in accordance with articles 6.3(c) and 6.3(j) of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

Resolution 3: Approval to Issue Shares to a Director – Mr Darren Cooper

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

“That, subject to Resolution 2 being approved, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 155,602 Initial Remuneration Shares, and the Subsequent Remuneration Shares, to Mr Darren Cooper (or his nominee) on the terms and conditions described in the Explanatory Statement.”

Resolution 4: Appointment of Auditor

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

“That, for the purposes of section 327B(1)(a) of the Corporations Act and for all other purposes, HLB Mann Judd (WA Partnership), having consented to act, be appointed as auditor of the Company with effect from the close of the Annual General Meeting.”


Resolution 5: Approval of Additional Placement Facility

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

“That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the number of fully paid ordinary securities of the Company on issue (at the time of issue) calculated in accordance with the formula set out in Listing Rule 7.1A.2 for a period of 12 months from the date of the Meeting on the terms and conditions set out in the Explanatory Statement.”

Note: Resolution 5 is a special resolution. To be passed, it must be approved by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

By order of the Board



Suzie Foreman
Company Secretary
18 October 2018

Voting Prohibitions and Exclusions

Corporations Act Voting Prohibitions

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

Pursuant to section 250BD of the Corporations Act, members of Key Management Personnel and their Closely Related Parties (other than the Chairperson) may not vote as a proxy on Resolution 3 (Issue of Shares to a Director) except where the appointment specifies how the proxy is to vote, or in the case of the Chairperson, in accordance with an express authorisation on the Proxy Form. Any votes cast in contravention of section 250BD of the Corporations Act will not be counted in working out a percentage of votes cast or whether the Resolution is approved.

ASX Voting Exclusion Statements

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

Resolution	Excluded Parties
Resolution 3	A person who is to receive securities in relation to the Company, being Mr Darren Cooper (or his nominee) at the date of the Notice.
Resolution 5	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder).

However, the Company need not disregard a vote on Resolution 3 or 5 if it is cast by:

- a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Proxy Appointment and Voting Instructions

Lodgement of Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **9:00am (WST) on 23 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid. Proxy Forms may be lodged as follows:

By hand: Automatic Registry Services, Level 3, 50 Holt Street, Surry Hills, NSW 2010

By post: Automatic Registry Services, PO Box 2226, Strawberry Hills, NSW 2012

By email: hello@automatic.com.au

Appointment of a proxy

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

If you wish to appoint the Chairperson as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Company's share registry on 1300 288 664 (within Australia) or + 61 2 9698 5414 (from overseas).

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

Corporate Shareholders

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

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

Corporate representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or

number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Voting restrictions that may affect your proxy appointment

Members of the Key Management Personnel (except for the Chairperson) and their Closely Related Parties are not able to vote your proxy on Resolution 1 (Adoption of Remuneration Report) or Resolution 3 (Issue of Shares to a Director) unless you have directed them how to vote. This exclusion does not apply to the Chairperson if their appointment as proxy expressly authorises them to vote on matters of Key Management Personnel remuneration.

If you intend to appoint the Chairperson, a Director or any other member of Key Management Personnel or any of their Closely Related Parties as your proxy, you are encouraged to direct them how to vote on all the Resolutions.

Chairperson voting of undirected proxies

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

The Proxy Form expressly authorises the Chairperson to exercise undirected proxies on all Resolutions including Resolution 1 (Adoption of Remuneration Report) and Resolution 3 (Issue of Shares to a Director) even though these Resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Voting eligibility (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5:00pm (WST) on 21 November 2018**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Questions from Shareholders

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

A representative of HLB Mann Judd, as the Auditor responsible for preparing the Auditor's report for the year ended 30 June 2018 (contained in the Annual Report), will attend the Meeting. The Chairperson will also allow a reasonable opportunity for Shareholders to ask the Auditor questions about:

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

To assist the Board and the Auditor in responding to any questions that you may have, please submit any questions to the Company in writing by **10:00am (WST) on 22 November 2018** in the same manner as outlined above for lodgement of Proxy Forms.

As required under section 250PA of the Corporations Act, the Company will make available at the Meeting those questions directed to the Auditor received in writing at least 5 business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the annual financial report for the year ended 30 June 2018. The Chairperson will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

Explanatory Statement

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

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

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

1. Annual Financial Report

The Corporations Act requires that the Directors' report, Auditors' report and the financial statements of the Company for the year ended 30 June 2018 be tabled at the Meeting. These reports are contained in the Company's Annual Report.

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

The Company's Annual Report is available on its website at www.spectur.com.au.

2. Resolution 1: Adoption of Remuneration Report

2.1 Background

The Remuneration Report is set out in the Directors' report in the Annual Report.

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

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

It is noted that at the Company's 2017 annual general meeting the votes cast against the remuneration report represented less than 25% of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

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

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

2.2 Directors' recommendation

The Directors decline to make a recommendation as to how Shareholders should vote in respect of Resolution 1 as they each hold a material personal interest in the outcome of the Resolution.

3. Resolution 2: Re-election of Director – Mr Darren Cooper

3.1 Background

Resolution 2 seeks Shareholder approval for the re-election of Mr Darren Cooper as a Director of the Company.

Mr Cooper is a non-executive Director of the Company who was recently appointed by the Board on 5 October 2018.

Article 6.3(c) of the Company's Constitution requires that one third of the Directors retire at each annual general meeting of the Company.

Article 6.3(j) of the Company's Constitution requires that a Director who was appointed by the Board retire at the next annual general meeting of the Company.

A Director who retires under article 6.3(c) and/or article 6.3(j) of the Company's Constitution is eligible for re-election.

Mr Cooper retires from office as required by articles 6.3(c) and 6.3(j) of the Constitution, and, being eligible, submits himself for re-election.

3.2 Biography – Mr Darren Cooper

Mr Darren Cooper spent in excess of 20 years with various companies in management and senior executive roles, and has a Bachelor of Business from Curtin University, a Masters of Applied Finance from Macquarie University, and is a graduate of the Australian Institute of Company Directors.

Mr Cooper holds a number of board and strategic advisory roles across a range of industries including property, construction, labour hire, professional services and telecommunications. He is also an investor in and director of a range of technology & media-based startup businesses. In addition, Mr Cooper undertakes a number of volunteer roles, including with Foundation Housing (Community Housing), Bethanie (Aged Care) and Nature Play WA Inc (Childhood Wellbeing).

3.3 Directors' recommendation

The Directors (other than Mr Cooper who has a material personal interest in the outcome of the Resolution and declines to make a recommendation) recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3: Approval to Issue Shares to a Director – Mr Darren Cooper

4.1 Background

Resolution 3 seeks Shareholder approval for the issue of Shares, to the Company's Chairman, Mr Darren Cooper, in payment of part of the fees he would otherwise be entitled to receive in cash over the 12 month period commencing on the date of his appointment, pursuant to the terms of his Appointment Letter.

The material terms of Mr Cooper's Appointment Letter were announced to ASX on 5 October 2018.

Resolution 3 is conditional upon Shareholder approval of Resolution 2 (Re-Election of Mr Darren Cooper). If Resolution 2 is not approved, Resolution 3 will be withdrawn.

(a) Director's Fee payable

Pursuant to the terms of his Appointment Letter, Mr Cooper is entitled to the following fees as consideration for his services to be provided to the Company (**Director's Fee**):

- a director's fee of \$75,000 per annum (exclusive of any applicable statutory superannuation); and
- if Mr Cooper resigns as non-executive Chairman, or is removed in accordance with the Company's Constitution, he will thereafter continue as a non-executive Director of the Company and will be paid a director's fee of \$40,000 (exclusive of any applicable statutory superannuation).

(b) **Initial Remuneration Shares**

For a period of 6 months commencing on the date of his appointment (**Initial Period**), the payment of Mr Cooper's Director's Fee may be satisfied by the issue of Shares (**Initial Remuneration Shares**), subject to Shareholder approval of Resolution 3.

The number of Initial Remuneration Shares to be issued to Mr Cooper will be calculated as follows:

$$N = DF / MP$$

Where:

N = the number of Initial Remuneration Shares to be issued to Mr Cooper;

DF = the total cash Director's Fee payable to Mr Cooper in respect of the Initial Period; and

MP = the VWAP of Shares quoted on the ASX over the 5 trading days on which the Company's Shares traded prior to Mr Cooper's date of appointment on 5 October 2018, being \$0.241.

Applying the above formula, and assuming that Mr Cooper does not resign (and is not removed) as Chairman for the duration of the Initial Period (and is therefore entitled to remuneration of \$37,500 (excluding superannuation) in respect of the Initial Period), the maximum number of Initial Remuneration Shares that may be issued to Mr Cooper is 155,602.

The number of Initial Remuneration Shares to be issued to Mr Cooper will depend upon the total cash Director's Fee payable to Mr Cooper during the Initial Period. If Mr Cooper resigns (or is removed as Chairman) during the Initial Period, his remuneration will decrease and therefore the number of Initial Remuneration Shares which may be issued to Mr Cooper will decrease accordingly.

Whilst Shareholder approval is being sought for the issue of up to 155,602 Initial Remuneration Shares, the Company will only issue the number of Initial Remuneration Shares calculated in accordance with the above formula, which may be less than this number.

(c) **Subsequent Remuneration Shares**

Following completion of the Initial Period, Mr Cooper's Director's Fee may be payable as follows:

- up to 30% of Mr Cooper's Director's Fee may be satisfied by the issue of Shares (subject to Shareholder approval); and
- at least 70% of Mr Cooper's Director's Fee will be payable in cash.

The number of Shares to be issued to Mr Cooper following completion of the Initial Period will be calculated monthly (as described below), and aggregated over 6 month periods.

The first 6 month period (**Subsequent Period**) will commence on the date immediately following the date on which the Initial Period ends (being 5 April 2019).

Resolution 3 seeks Shareholder approval for the Company to issue the number of Shares calculated using the formula below in respect of the Subsequent Period (**Subsequent Remuneration Shares**) to Mr Cooper at the conclusion of the Subsequent Period.

The Company may seek additional Shareholder approvals at subsequent general meetings to issue additional Shares to Mr Cooper pursuant to the terms of his Appointment Letter, on and from completion of the Subsequent Period.

The number of Subsequent Remuneration Shares to be issued to Mr Cooper in respect of a calendar month will be calculated on the first business day of the following calendar month as follows:

$$N = DF / MP$$

Where:

N = the number of Subsequent Remuneration Shares to be issued to Mr Cooper in respect of a calendar month;

DF = the total cash Director's Fee payable to Mr Cooper in respect of the period commencing on (and including) the first day of the relevant calendar month and ending on (and including) the last of the relevant calendar month; and

MP = the VWAP of Shares quoted on the ASX over the first 5 trading days on which the Company's Shares trade in the relevant calendar month.

The table below sets out the number of Subsequent Remuneration Shares which may be issued to Mr Cooper pursuant to Resolution 3, assuming various different scenarios, including that:

- Mr Cooper does not resign (and is not removed) as Chairman for the duration of the Subsequent Period;
- Mr Cooper resigns (or is removed) as Chairman immediately after the conclusion of the Initial Period but remains a non-executive Director for the duration of the Subsequent Period;
- the VWAP of Shares quoted on the ASX over the first 5 trading days on which the Company's Shares trade in the relevant calendar month (and in every month during the Subsequent Period) (i.e. the value for "MP" in the formula above) is \$0.15, \$0.25 and \$0.35; and
- 70% of the total remuneration payable in respect of the relevant period is paid to Mr Cooper in cash, and 30% is paid by the issue of Shares.

Position and Time Period		Chairman 1 Month	Chairman Subsequent Period (6 months)	Non- Executive Director 1 Month	Non- Executive Director Subsequent Period (6 months)
Total Remuneration Payable (excluding statutory superannuation)		\$6,250	\$37,500	\$3,333	\$20,000
Portion of Remuneration Payable in Shares (30%)		\$1,875	\$11,250	\$1,000	\$6,000
Number of Subsequent Remuneration Shares to be issued	VWAP of \$0.15	12,500	75,000	6,666	40,000
	VWAP of \$0.25	7,500	45,000	4,000	24,000
	VWAP of \$0.35	5,357	32,142	2,857	17,142

Note: The number of Subsequent Remuneration Shares to be issued will be calculated in accordance with the formula set out in this section 4.1(c) and therefore cannot be definitively determined as at the date of the Notice. The number of Subsequent Remuneration Shares which may be issued as shown in the table above are illustrate examples only, and are not a guarantee or indication of the actual number of Subsequent Remuneration Shares that may be issued to Mr Cooper.

(d) **Effect on control and dilution**

As outlined above, the maximum number of Initial Remuneration Shares that may be issued to Mr Cooper if Resolution 3 is approved is 155,602 Initial Remuneration Shares. This represents a dilution of 0.30% of the Company's current issued Share capital as at the date of this Notice (being 52,413,358 Shares), and assuming these Shares are issued, the Company's Shareholders will be diluted accordingly.

The number of Subsequent Remuneration Shares to be issued cannot be determined as at the date of the Notice. Accordingly, the table below sets out the dilution that will occur to existing Shareholders if the Subsequent Remuneration Shares are issued at a deemed issue price of \$0.15, \$0.25 and \$0.35.

	Subsequent Remuneration Shares to be Issued	Dilution to Existing Shareholders
Deemed Issue Price \$0.15	75,000	0.14%
Deemed Issue Price \$0.25	45,000	0.09%
Deemed Issue Price \$0.35	32,142	0.06%

Note: The table above assumes that Mr Cooper serves as Chairman for the duration of the Subsequent Period, and the potential dilution to existing Shareholders has been calculated based on the Company's current issued Share capital (being 52,413,358 Shares at the date of the Notice).

If the number of Initial Remuneration Shares and Subsequent Remuneration Shares set out in this section 4.1(d) are issued, this will represent a total dilution of 0.44% of the Company's current issued Share capital as at the date of this Notice, and the Company's Shareholders will be diluted accordingly.

The Company does not anticipate that the issue of any Shares to Mr Cooper pursuant to Resolution 3 will have any effect on the control of the Company.

(e) **Effect of Resolution 3 not being approved**

The issue of the Initial Remuneration Shares and the Subsequent Remuneration Shares under the terms of Mr Cooper's Appointment Letter is subject to all required approvals being obtained (including Shareholder approval of Resolution 3).

If Resolution 3 is not approved by Shareholders, the portion of Mr Cooper's Director's Fee that would otherwise be satisfied by the issue of Shares will be paid to Mr Cooper in cash.

4.2 Applicable Listing Rules

Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities (i.e. Shares), or other securities with rights of conversion to equity, to a related party without shareholder approval.

Mr Darren Cooper is a Director of the Company and accordingly is a related party of the Company for the purposes of the Listing Rules.

If Resolution 3 is approved, then approval is not required under Listing Rule 7.1 for the issue of the Initial Remuneration Shares and the Subsequent Remuneration Shares.

4.3 Chapter 2E of the Corporations Act

Section 208(1) of the Corporations Act (set out in Chapter 2E) requires that, where a public company proposes to give a financial benefit to a Related Party, the public company must:

- obtain the approval of the company's members in accordance with section 208 of the Corporations Act in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 211 of the Corporations Act provides that shareholder approval is not required to give a financial benefit in circumstances where the benefit constitutes remuneration which would be reasonable given the company's and the Related Party's circumstances.

The issue of Shares to a Director (or their nominee) constitutes the giving of a financial benefit to a Related Party of the Company for the purposes of section 208 of the Corporations Act.

Having considered the Company's circumstances and Mr Cooper's position as Chairman (and potentially non-executive Director), the Board (other than Mr Cooper) has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Initial Remuneration Shares and Subsequent Remuneration Shares to Mr Cooper, as the Shares are being issued to Mr Cooper as a part of his remuneration for services provided to the Company in circumstances where the benefit constitutes remuneration which would be reasonable given the company's and the Related Party's circumstances.

Accordingly, the Board (other than Mr Cooper) considers that the remuneration is reasonable for the purposes of the exception in section 211 of the Corporations Act, and has determined not to seek Shareholder approval under section 208 of the Corporations Act for the proposed issue of Shares to Mr Cooper.

4.4 Listing Rule information requirements

Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to Resolution 3 for the purposes of obtaining approval under Listing Rule 10.11:

(a) **The name of the recipient**

Mr Darren Cooper, the Chairman of the Company as at the date of the Notice, or his nominee.

(b) **The maximum number of securities to be issued**

The maximum number of Initial Remuneration Shares which may be issued pursuant to Resolution 3 is 155,602.

The maximum number of Subsequent Remuneration Shares which may be issued pursuant to Resolution 3 will be calculated in accordance with the formula set out in section 4.1(c) above and therefore cannot be definitively determined as at the date of this Notice.

(c) **The issue date**

Listing Rule 10.13.3 requires that any securities issued pursuant to Shareholder approval under Listing Rule 10.11 be issued within 1 month of the meeting at which approval was obtained.

ASX has granted the Company a waiver from Listing Rule 10.13.3 to the effect that, if Resolution 3 is approved the Company may issue the Initial Remuneration Shares by no later than 16 April 2019, and the Subsequent Remuneration Shares by no later than 15 October 2019.

The Company anticipates issuing the Initial Remuneration Shares within 7 business days after the date on which the Initial Period ends, and in any event will issue the Initial Remuneration Shares by no later than 16 April 2019.

The Subsequent Remuneration Shares to be issued will be calculated monthly as described in section 4.1(c) above and aggregated over a 6 month period. The Company anticipates issuing the Subsequent Remuneration Shares within 7 business days after the end of the Subsequent Period, and in any event will issue the Subsequent Remuneration Shares by no later than 15 October 2019.

The full terms of the waiver of Listing Rule 10.13.3 that was granted by ASX are set out at Schedule 1 to this Explanatory Statement.

(d) **The issue price**

The Initial Remuneration Shares will be issued at a deemed issue price of \$0.241, being the VWAP of Shares quoted on the ASX over the 5 trading days on which the Company's Shares traded prior to Mr Cooper's date of appointment on 5 October 2018.

ASX has granted the Company a waiver from Listing Rule 10.13.5 to the effect that the precise issue price of the Subsequent Remuneration Shares (which cannot be calculated at the date of the Notice) is not required to be disclosed in this Explanatory Statement.

The full terms of the waiver of Listing Rule 10.13.5 that was granted by ASX are set out at Schedule 1 to this Explanatory Statement.

The Subsequent Remuneration Shares to be issued in respect of a calendar month will be issued at deemed issue price equal to the VWAP of Shares quoted on the ASX over the first 5 trading days on which the Company's Shares trade in the relevant calendar month.

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

The Initial Remuneration Shares and Subsequent Remuneration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the existing Shares on issue. The Company will apply for quotation of all Initial Remuneration Shares and Subsequent Remuneration Shares issued.

(f) **The intended use of the funds raised**

No funds will be raised from the issue of the Remuneration Shares and Subsequent Remuneration Shares as they are being issued as a part of the remuneration payable to Mr Cooper for his services to the Company in his capacity as Chairman (or non-executive Director).

4.5 **Directors' recommendation**

The Directors (other than Mr Cooper) recommend that Shareholders vote in favour of Resolution 3, as the Directors (other than Mr Cooper) consider that the issue of the Initial Remuneration Shares and Subsequent Remuneration Shares to Mr Cooper is a reasonable and appropriate method to provide cost effective and efficient remuneration, as the non-cash form of this benefit will allow the Company to spend a greater portion of its available cash on its operations than it would if alternative cash forms of remuneration was given to Mr Cooper.

5. **Resolution 4: Appointment of Auditor**

5.1 **Background**

Resolution 4 seeks Shareholder approval for the appointment of HLB Mann Judd as auditor of the Company.

HLB Mann Judd was appointed auditor by the Board.

HLB Mann Judd has been nominated by a member of the Company to be the auditor of the Company. A copy of the nomination is enclosed with this notice at Schedule 2. HLB Mann Judd has given, and has not withdrawn, its consent to act as auditor of the Company.

If Resolution 4 is approved, HLB Mann Judd will be appointed as the auditor of the Company with effect from the close of the Meeting.

5.2 **Corporations Act requirements**

Section 327B(1) of the Corporations Act requires that a company appoint an auditor at its first annual general meeting.

However, section 328B of the Corporations Act provides that a company may only appoint an auditor at its annual general meeting if a member of the company nominates the auditor in writing before the meeting is convened or not less than 21 days before the meeting.

Section 328A of the Corporations Act requires that an auditor provide its consent in writing to the appointment.

5.3 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 to appoint HLB Mann Judd as the auditor of the Company.

6. Resolution 5: Approval of Additional Placement Facility

6.1 Background

Resolution 5 seeks Shareholder approval for an additional issuing capacity under Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 5 would enable the Company to issue additional Equity Securities (calculated below) over a 12 month period without obtaining Shareholder approval.

Resolution 5 is a special resolution. It must be passed by at least 75% of the votes cast by Shareholders entitled to vote on the Resolution.

6.2 Applicable Listing Rules

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

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

6.3 Requirements of Listing Rule 7.1A

(a) Quoted securities

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

As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX, being fully paid ordinary Shares.

(b) Number of Equity Securities that may be issued

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

The Additional Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1. The effect of Shareholders passing Resolution 5 is to allow the Company to issue Equity Securities equal to approximately 25% of its issued capital during the next 12 months without first obtaining specific Shareholder approval.

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

At the date of this Notice the Company has 52,413,358 Shares on issue. If Resolution 5 is approved, the Company will be permitted to issue (as at the date of this Notice) approximately:

- (i) 7,862,003 Equity Securities under the Listing Rule 7.1 (15% placement capacity); and
- (ii) 5,241,335 Equity Securities under the Additional Placement Capacity.

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

If Resolution 5 is approved, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula:

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

where:

A = the number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue:

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or Listing Rule 7.4;
- less the number of fully paid ordinary securities cancelled in the 12 months.

D = 10%

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

6.4 **Listing Rule information requirements**

Listing Rule 7.3A requires that the following information be provided to Shareholders in relation to Resolution 5 for the purposes of obtaining approval under Listing Rule 7.1A:

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

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

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

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

If Resolution 5 is approved and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

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

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

The numbers are calculated on the basis of the closing market price of Shares on 10 October 2018 and the current number of Shares on issue.

Variable A in Listing Rule 7.1A		Issue price		
		\$0.24 (market price)	\$0.18 (25% decrease in market price)	\$0.12 (50% decrease in market price)
Current issued capital A = 52,413,358	Shares issued under LR 7.1A	5,241,335	5,241,335	5,241,335
	Voting dilution	10%	10%	10%
	Funds raised	\$1,257,920	\$943,440	\$628,960
	Economic dilution	0%	2.27%	4.55%
50% increase in issued capital A = 78,620,037	Shares issued under LR 7.1A	7,862,003	7,862,003	7,862,003
	Voting dilution	10%	10%	10%
	Funds raised	\$1,886,881	\$1,415,161	\$943,440
	Economic dilution	0%	2.27%	4.55%

Variable A in Listing Rule 7.1A		Issue price		
		\$0.24 (market price)	\$0.18 (25% decrease in market price)	\$0.12 (50% decrease in market price)
100% increase in current issued capital A = 104,826,716	Shares issued under LR 7.1A	10,482,671	10,482,671	10,482,671
	Voting dilution	10%	10%	10%
	Funds raised	\$2,515,841	\$1,886,881	\$1,257,921
	Economic dilution	0%	2.27%	4.55%

The above table has been prepared on the following assumptions:

1. the closing market price of Shares as at 10 October 2018, being \$0.24;
2. the Company issues the maximum number of Equity Securities available under the Additional Placement Facility;
3. existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility;
4. the Company issues Shares only and does not issue other types of Equity Securities (such as Options) under the Additional Placement Facility;
5. the impact of placements under Listing Rule 7.1 or following the exercise of Options is not included in the calculations; and
6. Economic dilution (ED) is calculated using the following formula:

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

where:

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

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

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

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

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

7. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

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

Equity Securities may be issued under the Additional Placement Facility for 12 months after the Meeting (i.e. until 23 November 2019).

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

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

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

- (i) cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and
- (ii) non-cash consideration to acquire new assets or make investments; in these circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) **Allocation policy**

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

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

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

None of the allottees will be a Related Party or an associate of a Related Party of the Company. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

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

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under the Additional Placement Facility.

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

The Company did not obtain approval for an additional issuing capacity pursuant to Listing Rule 7.1A at its 2017 annual general meeting.

(g) **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5 as it will give the Company the flexibility to raise and fund necessary working capital whilst preserving the Company's cash reserves.

Glossary

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

Additional Placement Capacity	Has the meaning given to that term in section 6.1 of this Explanatory Statement.
Annual General Meeting or Meeting	The annual general meeting of Shareholders or any adjournment thereof, convened by this Notice.
Annual Report	The annual report of the Company for the financial year ended 30 June 2018, including the annual financial report, the Directors' report and the Auditor's report.
Appointment Letter	The letter of appointment as a non-executive Director between Darren Cooper and the Company dated 5 October 2018.
Associate	Has the meaning given to that term in the Listing Rules.
ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange, as the context requires.
Auditor	The auditor of the Company, being HLB Mann Judd at the date of this Notice.
Board	The Company's Board of Directors.
Chairman	The Company's non-executive chairman, Mr Darren Cooper.
Chairperson	The chairperson of the Meeting.
Closely Related Party	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Company	Spectur Limited (ACN 140 151 579).
Company Secretary	The Company Secretary of the Company at the time of the Meeting, being Mrs Suzie Foreman.
Constitution	The Constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.

Equity Security	Has the meaning given to that term in ASX Listing Rule 19.12, being: (a) a share; (b) a unit; (c) a right to a share or unit or option; (d) an option over an issued or unissued security; (e) a convertible security; (f) any security that ASX decides to classify as an equity security; (g) but not a security that ASX decides to classify as a debt security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Glossary	This glossary of terms.
HLB Mann Judd	HLB Mann Judd (WA Partnership) (ABN 22 193 232 714).
Initial Period	The period of 6 months commencing on the date of Mr Darren Cooper's appointment, being 5 October 2018.
Initial Remuneration Shares	Has the meaning given to that term in section 4.1(b).
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	The listing rules of ASX, as amended from time to time.
Notice or Notice of Annual General Meeting	The notice of Annual General Meeting which accompanies this Explanatory Statement.
Proxy Form	The proxy form accompanying the Notice.
Remuneration Report	The remuneration report of the Company for the period ended 30 June 2018, appearing in the Director's report as set out in the Annual Report.
Resolution	A resolution set out in the Notice.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A holder of a Share.
Subsequent Period	The period of 6 months commencing on the date after the date on which the Initial Period ends, being 5 April 2019.
Subsequent Remuneration Shares	Has the meaning given to that term in section 4.1(c).
VWAP	Volume weighted average price, as that term is defined in the Listing Rules.
WST	Australian Western Standard Time being the time in Perth, Western Australia.

Schedule 1 - Terms of ASX Waivers

Waivers of Listing Rules 10.13.3 and 10.13.5

The terms of the waivers of Listing Rules 10.13.3 and 10.13.5, as granted by ASX, are set out below.

ASX has granted the Company a waiver from Listing Rule 10.13.3 and 10.13.5 to the extent necessary to permit the Company's notice of annual general meeting (the "Notice") to approve the issue of up to a maximum of 155,602 shares ("Initial Remuneration Shares") and up to a maximum of AUD\$11,250 worth of shares to Mr Cooper ("Subsequent Remuneration Shares") in lieu of remuneration for the period October 2018 to October 2019 not to state (1) the issue price in respect of the Subsequent Remuneration Shares and (2) that the Initial Remuneration Shares and Subsequent Remuneration Shares will be issued no later than one month after the date of the meeting and subject to the following conditions:

1. the Notice states that the Initial Remuneration Shares will be issued no later than 16 April 2019 and the Subsequent Remuneration Shares will be issued no later than 15 October 2019;
2. the Notice states that the number of Subsequent Remuneration Shares to be issued will be calculated based on the closing price of the underlying shares on the ASX on over the first five trading days on which the Company's shares are traded in the relevant calendar month;
3. the Notice includes a worked example of the dilution that will occur to existing shareholders of the Company as a result of the issue of Subsequent Remuneration Shares at three different prices;
4. the Notice sets out that the Initial Remuneration Shares and Subsequent Remuneration Shares will be fully paid ordinary shares in the capital of the Company ranking equally in all respects with the Company's existing shares on issue;
5. the Company's annual report for any period during which the Subsequent Remuneration Shares are issued to Directors, discloses details of the number of Subsequent Remuneration Shares that were issued to them, including the percentage of the Company's issued capital represented by those Subsequent Remuneration Shares; and
6. the terms of the waiver are stated in the Notice.

SCHEDULE 2 – NOTICE OF AUDITOR NOMINATION

10 October 2018

Spectur Limited
Level 2, 6 Merino Entrance
Cockburn Central
WA 6164

Dear fellow directors,

I, Stephen Paul Bodeker, a shareholder of Spectur Limited in accordance with Section 328B of the *Corporations Act 2001 (Cth)*, nominate HLB Mann Judd (WA Partnership) of Level 4, 130 Stirling Street, Perth, Western Australia to be appointed as auditor of Spectur Limited at the next forthcoming Annual General Meeting to be held in November 2018.

Yours sincerely



Stephen Paul Bodeker

**SPECTUR LIMITED
ACN 140 151 579
PROXY FORM**

I/We (name of Shareholder)
of (address)

being a Shareholder/Shareholders of Spectur Limited HEREBY APPOINT:

(name)
of (address)

and/or failing him/her (name)
of (address)

or, failing the person named, or if no person is named, the Chairperson of the Meeting as my/our proxy to act on my/our behalf at the Annual General Meeting of Spectur Limited (ACN 140 151 579) (**Company**) to be held at **9:00am (WST)** on **Friday 23 November 2018** at 2/6 Merino Entrance, Cockburn Central, PERTH WA 6164 (**Meeting**) and at any adjournment or postponement of the Meeting.

Except where I/we have marked a voting box for a Resolution below, I/we authorise my/our proxy to vote or abstain from voting on any Resolution in their discretion.

IMPORTANT NOTES:

- Should you wish to direct your proxy how to vote, please mark **FOR**, **AGAINST** or **ABSTAIN** in the voting boxes below. The Company encourages you to direct your proxy to vote for or against the Resolutions or to abstain from voting on each of the Resolutions.
- If the Chairperson is appointed your proxy, the Chairperson intends to vote all undirected proxies **FOR** each Resolution.
- Members of the Key Management Personnel (except for the Chairperson) and their Closely Related Parties are not able to vote your proxy on Resolutions 1 and 3 unless you have specifically directed them how to vote.
- If you appoint the Chairperson as your proxy, you expressly authorise the Chairperson to vote on matters of Key Management Personnel remuneration.
- Refer to the Notice of Annual General Meeting for important details of how to complete and return your Proxy Form.
- Completed Proxy Forms should be returned to the Company by **9.00am (WST) on Wednesday, 21 November 2018.**

I/We direct my/our proxy to vote in the following manner:

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Darren Cooper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to Issue Shares to a Director – Mr Darren Cooper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Additional Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This Proxy is appointed to represent _____% of my voting right, or if two proxies are appointed Proxy 1 represents _____% and Proxy 2 represents _____% of my/our total votes.

My/our total voting right is _____ shares.

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director