



**FIRSTWAVE**  
CLOUD SECURITY TECHNOLOGY

7 January 2018

The Manager, Listings  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

***Via electronic lodgement***

Dear Sir / Madam

**FirstWave Cloud Technology Ltd - Notice of Extraordinary General Meeting/ Proxy Form**

In accordance with the Listing Rule 3.17.1, please see attached a copy of FirstWave's 2019 Notice of Extraordinary General Meeting and Proxy Form for release to the market.

Yours faithfully

Gai Stephens  
Company Secretary  
FirstWave Cloud Technology Ltd



**FirstWave Cloud Technology Ltd** ABN: 35 144 733 595 (ASX: FCT)

**A** Level 10, 132 Arthur St North Sydney, NSW, 2060, Australia. **P** +61 02 9409 7000 **W** [Firstwavecloud.com](http://Firstwavecloud.com)



**NOTICE OF  
EXTRAORDINARY GENERAL MEETING  
2019**

FirstWave Cloud Technology Limited  
ACN 144 733 595

at  
the offices of FirstWave Cloud Technology  
Level 10, 132 Arthur Street  
North Sydney NSW 2060

**FRIDAY  
8 FEB 2019**

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**11:00 AM  
SYDNEY TIME**



**FIRSTWAVE**  
CLOUD SECURITY TECHNOLOGY

# NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting (“EGM”) of FirstWave Cloud Technology Limited (the “Company”) will be held on Friday, 8 February 2019 at 11:00AM (Sydney time) at the offices of FirstWave Cloud Technology, Level 10, 132 Arthur Street, North Sydney, NSW, 2060.

## AGENDA

### Item 1 – Special Business

#### **Resolution 1: Approval of Issue of Shares to David Kirton**

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

***“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue and allot 142,857 fully paid ordinary shares (Shares) to David Kirton at \$0.14 per Share (being the price for shares issued in the Company’s recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”***

#### Voting Exclusion Statement:

In accordance with ASX Listing Rules 7.1 and 14.11, the Company will disregard any votes cast in favour of Resolution 1 by or on behalf of David Kirton, or any associate of David Kirton.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it not cast on behalf of David Kirton or any of his associates; or
- if it is cast by the Chairman of the Meeting as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

#### Chairman appointed as proxy:

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

Notes:

- The Directors unanimously recommend that the shareholders vote in favour of Resolution 1.

#### **Resolution 2: Approval of Issue of Shares to Simon Ryan**

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

***“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue and allot 178,571 fully paid ordinary shares (Shares) to Simon Ryan at \$0.14 per Share (being the price for shares issued in the Company’s recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”***

#### Voting Exclusion Statement:

In accordance with ASX Listing Rules 7.1 and 14.11, the Company will disregard any votes cast in favour of Resolution 2 by or on behalf of Simon Ryan, or any associate of Simon Ryan.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it not cast on behalf of Simon Ryan or any of his associates; or
- if it is cast by the Chairman of the Meeting as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 2, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 2.

Notes:

- The Directors unanimously recommend that the shareholders vote in favour of Resolution 2.

**Resolution 3: Approval of Issue of Shares to Greg Maren**

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

***“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue and allot 357,143 fully paid ordinary shares (Shares) to Greg Maren at \$0.14 per Share (being the price for shares issued in the Company's recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”***

Voting Exclusion Statement:

In accordance with ASX Listing Rules 7.1 and 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Greg Maren, or any associate of Greg Maren.

However, in accordance with the Listing Rules, the Company need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it not cast on behalf of Greg Maren or any of his associates; or
- if it is cast by the Chairman of the Meeting as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 3, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 3.

Notes:

- The Directors unanimously recommend that the shareholders vote in favour of Resolution 3.

**Resolution 4: Approval of Issue of Shares to Simon Moore**

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

***“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot 1,071,429 fully paid ordinary shares (Shares) to Simon Moore at \$0.14 per Share (being the price for shares issued in the Company's recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”***

Voting Exclusion Statement:

In accordance with ASX Listing Rules 10.13.6 and 14.11 and section 224 of the Act, Simon Moore, or any associate of Simon Moore, is prohibited from voting in favour of Resolution 4 and the Company will disregard any votes cast on Resolution 4 by or on behalf of Simon Moore or any or any associate of Simon Moore.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form, and it not cast on behalf of Simon Moore or any of his associates; or
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 4, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 4.

Notes:

- The Directors (other than Simon Moore) unanimously recommend that the shareholders vote in favour of Resolution 4.

**Resolution 5: Approval of Issue of Shares to Sam Saba**

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

***“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot 535,714 fully paid ordinary shares (Shares) to Sam Saba at \$0.14 per Share (being the price for shares issued in the Company’s recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”***

Voting Exclusion Statement:

In accordance with ASX Listing Rules 10.13.6 and 14.11 and section 224 of the Act, Sam Saba, or any associate of Sam Saba, is prohibited from voting in favour of Resolution 5 and the Company will disregard any votes cast on Resolution 5 by or on behalf of Sam Saba or any or any associate of Sam Saba.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form, and it not cast on behalf of Sam Saba or any of his associates; or
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 5, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 5.

Notes:

- The Directors (other than Sam Saba) unanimously recommend that the shareholders vote in favour of Resolution 5.

**Resolution 6: Approval of Issue of Shares to Scott Lidgett**

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

***“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot 357,143 fully paid ordinary shares (Shares) to Scott Lidgett at \$0.14 per Share (being the price for shares issued in the Company’s recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”***

Voting Exclusion Statement:

In accordance with ASX Listing Rules 10.13.6 and 14.11 and section 224 of the Act, Scott Lidgett, or any associate of Scott Lidgett, is prohibited from voting in favour of Resolution 6 and the Company will disregard any votes cast on Resolution 6 by or on behalf of Scott Lidgett or any or any associate of Scott Lidgett.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form, and it not cast on behalf of Scott Lidgett or any of his associates; or
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 6, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 6.

Notes:

- The Directors (other than Scott Lidgett) unanimously recommend that the shareholders vote in favour of Resolution 6.

**Resolution 7: Approval of Issue of Shares to Paul MacRae**

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

***"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue and allot 357,143 fully paid ordinary shares (Shares) to Paul MacRae at \$0.14 per Share (being the price for shares issued in the Company's recent placement announced on 3 December 2018), or his nominee, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."***

Voting Exclusion Statement:

In accordance with ASX Listing Rules 10.13.6 and 14.11 and section 224 of the Act, Paul MacRae, or any associate of Paul MacRae, is prohibited from voting in favour of Resolution 7 and the Company will disregard any votes cast on Resolution 7 by or on behalf of Paul MacRae or any or any associate of Paul MacRae.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the proxy form, and it not cast on behalf of Paul MacRae or any of his associates; or
- it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 7, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 7.

Notes:

- The Directors (other than Paul MacRae) unanimously recommend that the shareholders vote in favour of Resolution 7.

**Resolution 8: Ratification of Prior Issue of Placement Shares**

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

***"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the issue of 24,314,285 Shares issued under the Company's recent placement announced on 3 December 2018 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."***

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of any person who participated in the issue or any of their associates.

However, the Company need not disregard a vote if:

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

### Chairman appointed as proxy:

If the Chairman is appointed as a proxy for a person who is permitted to vote on this Resolution 8, the Chairman will vote any proxies which do not indicate on their proxy form the way the Chairman must vote, in favour of Resolution 8.

## **NOTES**

### **Determination of entitlement to attend and vote**

For the purposes of the meeting, shares will be taken to be held by the persons who are registered as shareholders as at 7:00 pm (Sydney time) on Wednesday, 6 February, 2019.

### **Proxies**

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

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

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

To record a valid vote members will need to complete and lodge the Proxy Form (and the power of attorney or other authority (if any) under which it is signed, or a certified copy of it) at: the share registry of the Company, Computershare Investor Services Pty Limited, located at GPO Box 242, Melbourne Vic 3001, Australia or by facsimile on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), no later than 11:00 am (Sydney time) on Wednesday, 6 February 2019.

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

Custodian Voting – for Intermediary Online subscribers only (Custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

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

Shareholders may arrange to receive shareholder information electronically, or obtain a replacement or second proxy form, by contacting Computershare Investor Services on 1300 556 161 within Australia or +61 3 9415 4000.

### **How the Chairman of the meeting will vote undirected proxies**

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

### **Admission to meeting**

Shareholders who will attend the FirstWave Cloud Technology Limited Extraordinary General Meeting and who will not appoint a proxy are asked to bring the proxy form (if they have one) to the meeting to help speed admission. Shareholders who do not plan to attend the meeting are encouraged to complete and return a proxy form for their holdings of FirstWave Cloud Technology Limited shares.

### **Joint holders**

In the case of shares held by joint holders, one of the joint holders may vote and if more than one joint holder is present and voting at the meeting, only the vote of the joint holder whose name appears first in the register may be counted.

### **Quorum**

The Company constitution provides that two members present in person constitutes a quorum.



# EXPLANATORY MEMORANDUM

## ITEM 1: SPECIAL BUSINESS

### **RESOLUTIONS 1, 2 and 3: APPROVAL OF ISSUE OF SHARES TO SENIOR EXECUTIVES**

Resolutions 1, 2 and 3 seek approval from shareholders for the purpose of ASX Listing Rule 7.1 for the issue of:

- 142,857 fully paid ordinary shares (Shares) at \$0.14 per Share to David Kirton, or his nominee;
- 178,571 fully paid ordinary shares (Shares) at \$0.14 per Share to Simon Ryan, or his nominee; and
- 357,143 fully paid ordinary shares (Shares) at \$0.14 per Share to Greg Maren, or his nominee.

The price of \$0.14 per Share was selected as that the price for Shares issued in the Company's most recent placement announced on 3 December 2018 ("Placement").

Mr David Kirton is the CEO, Mr Simon Ryan is the CTO and Mr Greg Maren is the Global Alliances Director.

#### **ASX Listing Rule 7.1**

Without shareholder approval pursuant to ASX Listing Rule 7.1, the issue will be counted towards the Company's 15% share issue capacity. Accordingly, Resolutions 1, 2 and 3 seek shareholder approval to allow the Company to issue the Shares and retain placement flexibility.

#### **Specific information required by Listing Rule 7.3**

For the purposes of ASX Listing Rule 7.3, the following information is provided:

The following information is provided in relation to Resolutions 1, 2 and 3 in accordance with Listing Rule 7.3:

<b>Names of persons to whom Shares will be issued</b>	<b>Number of Shares to be issued</b>
David Kirton or his nominee	142,857
Simon Ryan or his nominee	178,571
Greg Maren or his nominee	357,143

The following information is provided in relation to Resolutions 1, 2 and 3 in accordance with Listing Rule 7.3:

- Issue price of the securities and the terms of issue: The Shares will be issued \$0.14 per Share, being the price for Shares issued in the Company's placement announced on 3 December 2018 ("Placement").
- Date by which the Company will issue the securities: The Shares will be issued as soon as possible after the date of the meeting and in any event no later than one month after the date of the meeting.
- Use of funds: The Company intends to use the funds raised primarily for the same purposes as other funds raised under the Placement, being:
  - execute the expand phase of the Company's international expansion strategy;
  - strengthen the foundation of the delivery model for existing and prospective customers;
  - increase the number of accredited virtual security appliances; and
  - develop function and feature enhancements to the core Cloud Content Secure Gateway platform.
- Voting exclusion statements are included in the Notice.
- Once the Shares are issued, the Shares will be fully paid and will rank equally with Shares currently on issue.

The Board believes that it is in the best interests of the Company to maintain the ability to issue up to its full placement capacity so that the Company retains financial flexibility and can take advantage of opportunities that may arise.

#### ***Directors' recommendation***

The Board unanimously recommends that shareholders vote in favour of Resolutions 1, 2 and 3.

## **RESOLUTION 4: APPROVAL FOR ISSUE OF SHARES TO SIMON MOORE**

Resolution 4 seeks approval from shareholders for the issue of 1,071,429 Shares to Simon Moore, or his nominee at \$0.14 per Share, being the price for Shares issued in the Company's placement announced on 3 December 2018 ("Placement").

Approval of shareholders is sought for the purposes of ASX Listing Rule 10.11 for the Company to issue the Shares to Simon Moore or his nominee (or "Relevant Person"). Once the Shares are issued, they will be fully paid and will rank equally with Shares currently on issue.

### **Chapter 2E**

Chapter 2E of the Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Act prohibits:

- (1) a public company giving a financial benefit to a related party; or
- (2) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Act in broad terms and includes a company issuing shares and granting options. A "related party" includes a director, an entity over which a director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Act, the Relevant Person is a Related Party of the Company as he is a Director of the Company.

Section 210 of the Act provides that an entity does not need to obtain shareholder approval to give a financial benefit to a related party if the giving of the financial benefit would be reasonable in the circumstances if the related party and the entity are dealing at arm's length (or terms less favourable than arm's length).

Given that the Relevant Person will be subscribing for shares on the same terms as all other Placement investors, the Board considers that the proposed issue is determined to be at arm's length and therefore that the exception in Section 210 of the Act is relevant to Resolution 4 and as such is not seeking shareholder approval pursuant to Chapter 2E of the Act.

### **ASX Listing Rule 10.11**

Listing Rule 10.11 provides that the Company must not issue "equity securities" to a related party unless one of a number of exceptions applies, or shareholder approval is obtained. Accordingly, the effect of Resolution 4 is to permit the Company to issue the Shares to the Relevant Person as described above in compliance with Listing Rule 10.11.

### **Information for shareholders in accordance with Listing Rule 10.13**

The following information is provided in relation to Resolution 4 in accordance with Listing Rule 10.13:

- Name of the person: Simon Moore or his nominee.
- Maximum number of securities to be issued: 1,071,429 ordinary fully paid shares.
- Date by which the Company will issue the securities: The Shares will be issued as soon as possible after the date of the meeting and in any event no later than one month after the date of the meeting.
- Issue price of the securities and the terms of issue: The Shares will be issued \$0.14 per Share.
- Use of funds: The total subscription funds payable by the Relevant Person, if this Resolution 4 is approved by shareholders, is \$150,000. The Company intends to use the funds raised primarily for the same purposes as other funds raised under the Placement, being:
  - execute the expand phase of the Company's international expansion strategy;
  - strengthen the foundation of the delivery model for existing and prospective customers;
  - increase the number of accredited virtual security appliances; and
  - develop function and feature enhancements to the core Cloud Content Secure Gateway platform.
- Voting exclusion statements are included in the Notice.

Approval under Listing Rule 7.1 is not required for the issue of Shares under Resolution 4 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Relevant Person will not be included in the use of the Company's 15% restriction under Listing Rule 7.1.

### ***Directors' recommendation***

The Directors (other than Simon Moore) unanimously recommend that the shareholders vote in favour of Resolution 4.

## **RESOLUTION 5: APPROVAL FOR ISSUE OF SHARES TO SAM SABA**

Resolution 5 seeks approval from shareholders for the issue of 535,714 Shares to Sam Saba, or his nominee at \$0.14 per Share, being the price for Shares issued in the Company's placement announced on 3 December 2018 ("Placement").

Approval of shareholders is sought for the purposes of ASX Listing Rule 10.11 for the Company to issue the Shares to Sam Saba or his nominee (or "Relevant Person"). Once the Shares are issued, they will be fully paid and will rank equally with Shares currently on issue.

### **Chapter 2E**

Chapter 2E of the Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Act prohibits:

- (1) a public company giving a financial benefit to a related party; or
- (2) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Act in broad terms and includes a company issuing shares and granting options. A "related party" includes a director, an entity over which a director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Act, the Relevant Person is a Related Party of the Company as he is a Director of the Company.

Section 210 of the Act provides that an entity does not need to obtain shareholder approval to give a financial benefit to a related party if the giving of the financial benefit would be reasonable in the circumstances if the related party and the entity are dealing at arm's length (or terms less favourable than arm's length).

Given that the Relevant Person will be subscribing for shares on the same terms as all other Placement investors, the Board considers that the proposed issue is determined to be at arm's length and therefore that the exception in Section 210 of the Act is relevant to Resolution 5 and as such is not seeking shareholder approval pursuant to Chapter 2E of the Act.

### **ASX Listing Rule 10.11**

Listing Rule 10.11 provides that the Company must not issue "equity securities" to a related party unless one of a number of exceptions applies, or shareholder approval is obtained. Accordingly, the effect of Resolution 5 is to permit the Company to issue the Shares to the Relevant Person as described above in compliance with Listing Rule 10.11.

### **Information for shareholders in accordance with Listing Rule 10.13**

The following information is provided in relation to Resolution 5 in accordance with Listing Rule 10.13:

- Name of the person: Sam Saba or his nominee.
- Maximum number of securities to be issued: 535,714 ordinary fully paid shares.
- Date by which the Company will issue the securities: The Shares will be issued as soon as possible after the date of the meeting and in any event no later than one month after the date of the meeting.
- Issue price of the securities and the terms of issue: The Shares will be issued \$0.14 per Share.
- Use of funds: The total subscription funds payable by the Relevant Person, if this Resolution 5 is approved by shareholders, is \$75,000. The Company intends to use the funds raised primarily for the same purposes as other funds raised under the Placement, being:
  - execute the expand phase of the Company's international expansion strategy;
  - strengthen the foundation of the delivery model for existing and prospective customers;
  - increase the number of accredited virtual security appliances; and
  - develop function and feature enhancements to the core Cloud Content Secure Gateway platform.
- Voting exclusion statements are included in the Notice.

Approval under Listing Rule 7.1 is not required for the issue of Shares under Resolution 5 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Relevant Person will not be included in the use of the Company's 15% restriction under Listing Rule 7.1.

### ***Directors' recommendation***

The Directors (other than Sam Saba) unanimously recommend that the shareholders vote in favour of Resolution 5.

## **RESOLUTION 6: APPROVAL OF ISSUE OF SHARES TO SCOTT LIDGETT**

Resolution 6 seeks approval from shareholders for the issue of 357,143 Shares to Scott Lidgett, or his nominee at \$0.14 per Share, being the price for Shares issued in the Company's placement announced on 3 December 2018 ("Placement").

Approval of shareholders is sought for the purposes of ASX Listing Rule 10.11 for the Company to issue the Shares to Scott Lidgett or his nominee (or "Relevant Person"). Once the Shares are issued, they will be fully paid and will rank equally with Shares currently on issue.

### **Chapter 2E**

Chapter 2E of the Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Act prohibits:

- (1) a public company giving a financial benefit to a related party; or
- (2) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Act in broad terms and includes a company issuing shares and granting options. A "related party" includes a director, an entity over which a director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Act, the Relevant Person is a Related Party of the Company as he is a Director of the Company.

Section 210 of the Act provides that an entity does not need to obtain shareholder approval to give a financial benefit to a related party if the giving of the financial benefit would be reasonable in the circumstances if the related party and the entity are dealing at arm's length (or terms less favourable than arm's length).

Given that the Relevant Person will be subscribing for shares on the same terms as all other Placement investors, the Board considers that the proposed issue is determined to be at arm's length and therefore that the exception in Section 210 of the Act is relevant to Resolution 6 and as such is not seeking shareholder approval pursuant to Chapter 2E of the Act.

### **ASX Listing Rule 10.11**

Listing Rule 10.11 provides that the Company must not issue "equity securities" to a related party unless one of a number of exceptions applies, or shareholder approval is obtained. Accordingly, the effect of Resolution 6 is to permit the Company to issue the Shares to the Relevant Person as described above in compliance with Listing Rule 10.11.

### **Information for shareholders in accordance with Listing Rule 10.13**

The following information is provided in relation to Resolution 6 in accordance with Listing Rule 10.13:

- Name of the person: Scott Lidgett or his nominee.
- Maximum number of securities to be issued: 357,143 ordinary fully paid shares.
- Date by which the Company will issue the securities: The Shares will be issued as soon as possible after the date of the meeting and in any event no later than one month after the date of the meeting.
- Issue price of the securities and the terms of issue: The Shares will be issued \$0.14 per Share.
- Use of funds: The total subscription funds payable by the Relevant Person, if this Resolution 6 is approved by shareholders, is \$50,000. The Company intends to use the funds raised primarily for the same purposes as other funds raised under the Placement, being:
  - execute the expand phase of the Company's international expansion strategy;
  - strengthen the foundation of the delivery model for existing and prospective customers;
  - increase the number of accredited virtual security appliances; and
  - develop function and feature enhancements to the core Cloud Content Secure Gateway platform.
- Voting exclusion statements are included in the Notice.

Approval under Listing Rule 7.1 is not required for the issue of Shares under Resolution 6 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Relevant Person will not be included in the use of the Company's 15% restriction under Listing Rule 7.1.

### ***Directors' recommendation***

The Directors (other than Scott Lidgett) unanimously recommend that the shareholders vote in favour of Resolution 6.

## **RESOLUTION 7: APPROVAL OF ISSUE OF SHARES TO PAUL MACRAE**

Resolution 7 seeks approval from shareholders for the issue of 357,143 Shares to Paul MacRae, or his nominee at \$0.14 per Share, being the price for Shares issued in the Company's placement announced on 3 December 2018 ("Placement").

Approval of shareholders is sought for the purposes of ASX Listing Rule 10.11 for the Company to issue the Shares to Paul MacRae or his nominee (or "Relevant Person"). Once the Shares are issued, they will be fully paid and will rank equally with Shares currently on issue.

### **Chapter 2E**

Chapter 2E of the Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Act prohibits:

- (1) a public company giving a financial benefit to a related party; or
- (2) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Act in broad terms and includes a company issuing shares and granting options. A "related party" includes a director, an entity over which a director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Act, the Relevant Person is a Related Party of the Company as he is a Director of the Company.

Section 210 of the Act provides that an entity does not need to obtain shareholder approval to give a financial benefit to a related party if the giving of the financial benefit would be reasonable in the circumstances if the related party and the entity are dealing at arm's length (or terms less favourable than arm's length).

Given that the Relevant Person will be subscribing for shares on the same terms as all other Placement investors, the Board considers that the proposed issue is determined to be at arm's length and therefore that the exception in Section 210 of the Act is relevant to Resolution 7 and as such is not seeking shareholder approval pursuant to Chapter 2E of the Act.

### **ASX Listing Rule 10.11**

Listing Rule 10.11 provides that the Company must not issue "equity securities" to a related party unless one of a number of exceptions applies, or shareholder approval is obtained. Accordingly, the effect of Resolution 7 is to permit the Company to issue the Shares to the Relevant Person as described above in compliance with Listing Rule 10.11.

### **Information for shareholders in accordance with Listing Rule 10.13**

The following information is provided in relation to Resolution 7 in accordance with Listing Rule 10.13:

- Name of the person: Paul MacRae or his nominee.
- Maximum number of securities to be issued: 357,143 ordinary fully paid shares.
- Date by which the Company will issue the securities: The Shares will be issued as soon as possible after the date of the meeting and in any event no later than one month after the date of the meeting.
- Issue price of the securities and the terms of issue: The Shares will be issued \$0.14 per Share.
- Use of funds: The total subscription funds payable by the Relevant Person, if this Resolution 7 is approved by shareholders, is \$50,000. The Company intends to use the funds raised primarily for the same purposes as other funds raised under the Placement, being:
  - execute the expand phase of the Company's international expansion strategy;
  - strengthen the foundation of the delivery model for existing and prospective customers;
  - increase the number of accredited virtual security appliances; and
  - develop function and feature enhancements to the core Cloud Content Secure Gateway platform.
- Voting exclusion statements are included in the Notice.

Approval under Listing Rule 7.1 is not required for the issue of Shares under Resolution 7 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Shares to the Relevant Person will not be included in the use of the Company's 15% restriction under Listing Rule 7.1.

### **Directors' recommendation**

The Directors (other than Paul MacRae) unanimously recommend that the shareholders vote in favour of Resolution 7.

## **RESOLUTION 8 - RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES**

As announced on 3 December 2018, the Company completed a placement to sophisticated investors for the issue of 24,314,285 Shares at \$0.14 per Share, raising a total of \$3.4 million ("Placement").

The Company issued the Shares the subject of the Placement without prior shareholder approval out of its 15% annual placement capacity in ASX Listing Rule 7.1.

Resolution 8 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares under the Placement.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 months period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1, providing that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior shareholder approval.

### **Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification of Shares issued under the Placement:

- (a) 24,314,285 Shares were issued;
- (b) the issue price per Share was \$0.14;
- (c) the Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated investors;
- (e) the funds raised from the issue were used for:
  - o working capital;
  - o executing the expand phase of the Company's international expansion strategy;
  - o strengthening the foundation of our delivery model for existing and prospective customers;
  - o increasing the number of accredited virtual security appliances;
  - o function and feature enhancements to the core Cloud Content Secure Gateway platform; and
- (f) the voting exclusion statement is included in the Notice.

### **Directors' recommendation**

The Board unanimously recommends that shareholders vote in favour of Resolution 8.

If you have any queries, please contact the Company Secretary on + 61 2 9409 7000.

By order of the Board.



**Gai Stephens**  
Company Secretary and General Counsel

4 January 2018

## GLOSSARY

In this Explanatory Memorandum and Notice of Extraordinary General Meeting the following expressions have the following meanings unless stated otherwise or unless the context otherwise requires:

**ASX** means ASX Limited ACN 008 624 691;

**ASX Listing Rules** or **Listing Rules** means the listing rules of ASX;

**Board** means the Board of directors of the Company;

**Company** means FirstWave Cloud Technology Limited ACN 144 733 595;

**Constitution** means the existing constitution of the Company;

**Corporations Act** or **Act** means *Corporations Act 2001* (Cth);

**Director** means a director of the Company;

**Equity Securities** has the same meaning as in the Listing Rules;

**Meeting** means the meeting of shareholders convened by the Notice;

**Notice** means the notice of meeting to which this Explanatory Memorandum is attached;

**Placement** means the Company's placement of 24,314,285 Shares announced on 3 December 2018; and

**Share** or **Ordinary Share** means a Fully Paid Ordinary Share in the capital of the Company.

NO TEXT ON THIS PAGE





**FIRSTWAVE**  
CLOUD SECURITY TECHNOLOGY



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

**Control Number: 132395**

**SRN/HIN:**

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

**For your vote to be effective it must be received by 11:00am (Sydney time), Wednesday 6 February 2019**

**How to Vote on Items of Business**

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

**Appointment of Proxy**

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

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

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

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

**Signing Instructions for Postal Forms**

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

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

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

**Attending the Meeting**

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

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

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

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

# Proxy Form

Please mark  to indicate your directions

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

I/We being a member/s of FirstWave Cloud Technology Limited hereby appoint

the Chairman of the Meeting OR

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of FirstWave Cloud Technology Limited to be held at Level 10, 132 Arthur Street, North Sydney NSW 2060 on Friday, 8 February 2019 at 11:00am (Sydney time) and at any adjournment or postponement of that meeting.

## STEP 2 Items of Business

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

### Special Business

	For	Against	Abstain
1. Approval of Issue of Shares to David Kirton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of Issue of Shares to Simon Ryan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of Issue of Shares to Greg Maren	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of Issue of Shares to Simon Moore	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of Issue of Shares to Sam Saba	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of Issue of Shares to Scott Lidgett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval of Issue of Shares to Paul MacRae	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Ratification of Prior Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / /