



THREAT PROTECT AUSTRALIA LIMITED

ACN 060 774 227

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.00am WST
DATE: 29 November 2016
PLACE: Cliftons, Ground Floor, Parmelia House,
191 St Georges Terrace, Perth
PERTH WA 6000

A copy of the Threat Protect Australia Limited 2016 Annual Report can be found at:

www.threatprotect.com.au

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 2922

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders, to which this Notice of Annual General Meeting relates, will be held at 10.00am WST on 29 November 2016 at Cliftons, Ground Floor, Parmelia House, Perth WA 6000.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined, pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 10.00am WST on 27 November 2016.




VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.



VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

-  each member has a right to appoint a proxy;
-  the proxy need not be a member of Threat Protect Australia Limited; and
-  a member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two proxies and the appointment does not specify the proportion or number of the members' votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.





New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

-  if proxy holders vote, they must cast all directed proxies as directed; and
-  any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.







Proxy vote if appointment specifies way to vote

Section 250BB (1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

-  the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
-  if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
-  if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
-  if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

-  an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of Threat Protect Australia Limited members; and
-  the appointed proxy is not the chair of the meeting; and
-  at the meeting, a poll is duly demanded on the resolution; and
-  either of the following applies:
 -  the proxy is not recorded as attending the meeting;
 -  the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

DEFINED TERMS

Capitalised terms in this Notice of Annual General Meeting and Explanatory Statement are defined either in the “Glossary” Section or where the relevant term is first used.

ASIC AND ASX

A final copy of this Notice of Annual General Meeting and Explanatory Statement has been lodged with ASIC and ASX.

Neither ASIC, ASX nor any of their respective officers takes any responsibility for the contents of this document.

AGENDA

ORDINARY BUSINESS**Reports and Accounts**

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2016 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and Auditor's Report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2016.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel (**KMP**), details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company, or if the Company is part of a consolidated entity, for the entity.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR DEREK LA FERLA

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

“That, for the purpose of ASX Listing Rule 14.4, Clause 11.7 of the Constitution and for all other purposes, Mr Derek La Ferla, a Director of the Company, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 - APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a special resolution:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed, including any associates of those persons. However, the Company will not disregard a vote, 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, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – APPROVAL OF EMPLOYEE SHARE PLAN

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

“That, for the purpose of Exception 9(b) of Listing Rule 7.2, and for all other purposes, approval is given for the Company to administer and issue securities under the Employee Share Plan as an exception to Listing Rule 7.1 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel; or
- (b) a Closely Related Party of such member.

However, the Company will not disregard a vote, 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, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. RESOLUTION 5 – APPROVAL OF FINANCIAL ASSISTANCE FOR EMPLOYEE SHARE PLAN

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

“That, subject to Resolution 4 being passed, and for the purposes of sections 257B, 259B and 260C of the Corporations Act and for all other purposes, the Employee Share Plan as set out in the Explanatory Statement be approved.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit (except a benefit solely in the capacity of a Shareholder) if the Resolution is passed, and any associate of those persons.

However, the Company will not disregard a vote, 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, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the KMP; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the KMP.

6. RESOLUTION 6 – APPOINTMENT OF AUDITOR

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

“That, for the purposes of Section 327B of the Corporations Act and for all other purposes, BDO Audit (WA) Pty Ltd having been nominated and having consented in writing to act as auditor of the Company, be appointed as auditor of the Company, on the terms and conditions set out in the Explanatory Statement.”

OTHER BUSINESS

In accordance with section 250(S) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the Annual General Meeting.

Dated: 17 October 2016

By Order of the Board

Simon Whybrow

COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's Annual General Meeting, a resolution that the remuneration report be adopted, must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

1.2 Voting consequences

Under changes to the Corporations Act, which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders, to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report, and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second Annual General Meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting, those persons whose election or re-election as directors of the company is approved, will be the directors of the company.

1.3 Previous voting results

At the Company's previous Annual General Meeting, the votes cast against the remuneration report considered at that Annual General Meeting, were more than 25%. Accordingly, the Spill Resolution will be relevant for this Annual General Meeting, if at least 25% of the votes cast on the Remuneration Report resolution are voted against adoption of the Remuneration Report.

1.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (KMP) (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy.

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority, if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the KMP whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You ***do not*** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, you ***must*** mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy, even though this Resolution is connected directly or indirectly with the remuneration of KMP.

If you appoint any other person as your proxy

You ***do not*** need to direct your proxy how to vote on this Resolution, and you ***do not*** need to mark any further acknowledgement on the Proxy Form.

2. RESOLUTION 2 - RE-ELECTION OF DIRECTOR – MR DEREK LA FERLA

Pursuant to Clause 11.7 of the Company's Constitution and Listing Rule 14.4 one-third of the Directors (or the number nearest one third) must retire at each annual general meeting, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is longer, without submitting himself or herself for re-election.

The Directors to retire are those who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time, those to retire shall be determined by drawing lots unless otherwise agreed.

A Director who retires by rotation under Clause 11.7 of the Constitution is eligible for re-election.

The Company currently has three Directors and accordingly one must retire.

Mr La Ferla retires by rotation and seeks re-election.

Biography of Mr Derek La Ferla

Mr La Ferla is an experienced corporate lawyer and company director with more than 30 years' experience. Mr La Ferla is a Partner with leading independent Western Australian firm Lavan Legal. He is also a member of the firm's Advisory Board and previously served on the Norton Rose Australia National Board (when the firm was named Deacons).

Mr La Ferla has been a director of a number of listed public, private and not-for-profit companies. He is currently Chairman of Sandfire Resources NL, OTOC Limited and Cashmere Iron Limited. He is a fellow of the Australian Institute of Company Directors and a Mentor under its Chair's Mentoring Program.

The Board (excluding Mr La Ferla) unanimously supports the re-election of Mr La Ferla.

3. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

3.1 General

ASX Listing Rule 7.1A provides, that an Eligible Entity may seek Shareholder approval at its annual general meeting (**AGM** or **Meeting**), to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 4.2 below).

The effect of Resolution 3 will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

3.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its AGM to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300M.
- (c) The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$14.44M.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: TPS).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A, will be calculated according to the following formula:

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - plus the number of partly paid shares that became fully paid in the previous 12 months;
 - plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid ordinary shares under the entity's 15% placement capacity without shareholder approval; and
 - less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue, that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

3.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) **Minimum Price**

The minimum price, at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price, at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in 3.3(a)(i) above, the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact, where the number of Shares on issue (Variable A in the formula) changes and the economic dilution, where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Issue Price (per Share)	Dilution		
		\$0.01 50% decrease in Issue Price	\$0.02 Issue Price	\$0.04 100% increase in Issue Price
721,898,331 (Current Variable A)	Shares issued - 10% voting dilution	72,189,833	72,189,833	72,189,833
	Funds raised	\$721,898	\$1,443,797	\$2,887,593
1,082,847,497 (50% increase in Variable A)	Shares issued - 10% voting dilution	108,284,750	108,284,750	108,284,750
	Funds raised	\$1,082,847	\$2,165,695	\$4,331,390
1,443,796,662 (100% increase in Variable A)	Shares issued - 10% voting dilution	144,379,666	144,379,666	144,379,666
	Funds raised	\$1,443,797	\$2,887,593	\$5,775,187

* The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- 1 The current shares on issue are the Shares on issue as at 14 October 2016.
- 2 The issue price set out above, is the closing price of the Shares on the ASX on 14 October 2016.
- 3 The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- 4 The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- 5 The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed, that no Options are exercised into Shares before the date of issue of the Equity Securities.
- 6 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.
- 7 This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- 8 The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- 9 The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (A) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (B) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration, in which case the Company intends to use funds raised for continued expenditure on the Company's current assets and general working capital; or
- (ii) as non-cash consideration for the acquisition of new assets and investments, including/excluding previously announced acquisitions, in which case the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

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

(e) **Allocation Policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its AGM held on 26 November 2015 (**Previous Approval**).

During the 12 months preceding the date of the Annual General Meeting, the Company has or will have issued a total of 119,899,995 equity securities representing 19.9% of the total number of equity securities on issue at the commencement of that 12 month period.

Date of Issue	16/02/2016	22/02/2016	31/05/2016
Number issued	102,899,995	333,334	16,666,666
Class of security	Fully Paid Ordinary	Fully Paid Ordinary	Fully Paid Ordinary
Persons who received securities	Share Placement for Sophisticated Investors	Specific unrelated persons identified by the Board	Threat Protect Vendors
Price (per Share)	\$0.03	\$0.03	\$0.03
Discount to market	N/A	N/A	N/A
Non-cash consideration	N/A	N/A	N/A
Total cash consideration	\$3,087,000	\$10,000	\$500,000
Amount of cash spent	\$3,087,000	\$10,000	\$500,000
Use of cash	Acquisitions and Working Capital	Acquisitions and Working Capital	Acquisitions and Working Capital

For the purpose of this section, working capital may include wages, payments to contractors, rent and outgoings, insurance, accounting, audit, legal and listing fees and other items of a general administrative nature.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

3.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

4. RESOLUTION 4 – APPROVAL OF EMPLOYEE SHARE PLAN

Resolution 4 seeks Shareholder approval in accordance with Exception 9(b) of Listing Rule 7.2 for the Company to issue securities under the Employee Share Plan without prior shareholder approval and reliance on the exception to Listing Rule 7.1.

ASX Listing Rule 7.1 places certain restrictions on the extent to which a listed company may issue certain securities. The effect is that shareholder approval is required before the Company may issue certain securities representing more than 15% of the capital of the Company within a 12 month period. However, certain issues are exempt from the restrictions of ASX Listing Rule 7.1 and are effectively disregarded for the purposes of determining the number of securities which a company may issue within a 12 month period.

Exempt issues include an issue of securities to persons participating in an employee incentive scheme where shareholders have approved the issue of securities under the employee incentive scheme as an exemption from ASX Listing Rule 7.1. Shareholder approval must be given in a general meeting held not more than 3 years before the date of issue when the notice of meeting contains or is accompanied by a summary of the terms of the employee incentive scheme, set out at Annexure A. The Employee Share Plan is enclosed at Annexure B.

In order to take advantage of the exemption from ASX Listing Rule 7.1 and allow the Company flexibility to issue securities, Shareholders are requested to approve the issue of securities under the Employee Share Plan as an exemption from Listing Rule 7.1. This approval will be effective for a period of 3 years from the date of the Resolution. It should be noted that approval of Resolution 4 does not in itself allow for the issue of securities under the Plan to a Director. Securities cannot be issued under the Plan to Directors or their associates unless prior approval of Shareholder is obtained in accordance with Listing Rule 10.14

The main purpose of the Employee Share Plan is to give an additional incentive to employees of the Company to provide dedicated and ongoing commitment and effort to the Company, and for the Company to reward its employees for their efforts.

Shares issued under the Employee Share Plan will rank pari passu in all respects with the Company's existing Shares.

The Company will make application to ASX for official quotation of Shares issued under the Employee Share Plan.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – APPROVAL OF FINANCIAL ASSISTANCE FOR EMPLOYEE SHARE PLAN

5.1 General

(a) Employee share scheme buy-back

Section 257B(1) of the Corporations Act sets out the procedure for various forms of share buy-back, including an 'employee share scheme buy-back'. In order for the Company to undertake a buy-back of Shares under the Employee Share Plan (e.g. in situations where Shares are forfeited by participants in accordance with their terms of issue) using the employee share scheme buy-back procedure under the Corporations Act, the Employee Share Plan must be approved by Shareholders.

Accordingly, Shareholders are asked to approve the Employee Share Plan in order for the Company to undertake a buy-back of Shares under the Plan using the employee share scheme buy-back procedure.

(b) Enable the Company to take security over its own shares

Section 259B(1) of the Corporations Act prohibits a company taking security over shares in itself or in a company that controls it, unless one of the exceptions in subsections 259B(2) or 259B(3) applies. Section 259B(2) provides that a company may take security over shares in itself under an employee share scheme that has been approved by a resolution passed at a general meeting of the company.

Shareholders are asked to approve the Employee Share Plan in order for the Board to have the ability to take security over its shares issued under the Employee Share Plan and the respective loan agreement to be entered into between the Company and the eligible participant.

(c) **Financial assistance**

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (i) giving the assistance does not materially prejudice the interests of the company or its shareholders of the company's ability to pay its creditors;
- (ii) the assistance is approved by shareholders under section 260B; or
- (iii) the assistance is exempted under 260C.

Section 260C(4) of the Corporations Act provides for certain specific instances of exempted financial assistance, including a special exemption for employee share schemes that have been approved by a resolution passed at a general meeting of a company.

As an integral feature of the Employee Share Plan, the Company will provide financial assistance to participants in the form of loans, which will take the form of interest free and fee-free, limited recourse loans.

Whilst the Board does not believe that the provision of financial assistance to participants to enable them to participate in the Employee Share Plan will materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors, the Board has recommended that shareholder approval is sought to approve the Employee Share Plan to ensure that the Employee Share Plan qualifies for the special exemption under section 260C(4) of the Corporations Act.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

6. RESOLUTION 6 – APPOINTMENT OF AUDITOR

The Company's current auditor, Bentleys, have resigned as auditor of the Company.

The Directors have considered this matter and now recommend that BDO Audit (WA) Pty Ltd be appointed as auditor to the Company and that Shareholders consider this resolution. The Company acknowledges that Bentleys has in writing consented to being appointed as the Company's auditor.

In accordance with the Corporations Act, Mr Demetrios Pynes, a Shareholder, and Director, has nominated BDO Audit (WA) Pty Ltd to be appointed auditor.

A copy of that nomination is attached to the Notice of Annual General Meeting Annexure C.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

7. ENQUIRIES

Shareholders are requested to contact Mr Simon Whybrow on + 61 8 9322 2922 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

AWST means Australian Western Standard Time as observed in Perth, Western Australia.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of Threat Protect Australia Limited.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (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 *Corporations Regulations 2001* (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Threat Protect Australia Limited (ACN 060 774 227).

Constitution means Threat Protect Australia Limited constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of Threat Protect Australia Limited.

Explanatory Statement means the explanatory statement accompanying the Notice.

Annual General Meeting, AGM or Meeting means the meeting convened by the Notice.

KMP or Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or Notice of Annual General Meeting or Notice of General Meeting means this notice of general meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2015.

Resolutions means the resolutions set out in the Notice of Annual General Meeting, or any one of them, as the context requires.

Scheme means the Company's Employee Share Plan Scheme.

Share means a fully paid ordinary share in the capital of Threat Protect Australia Limited.

Shareholder means a holder of a Share.

The Board has adopted the Employee Share Plan to allow eligible participants to be issued Shares in the Company. The principle terms of the Employee Share Plan are summarised below.

1. Background

1.1 Under the Employee Share Plan, Eligible Employees (see section 3) of the Company and its related bodies corporate (**Group**) may be offered the opportunity to acquire shares in the Company (**Shares**) and the Company will loan participants an amount equal to the purchase price for those Shares.

2. Purpose

2.1 The purpose of the Employee Share Plan is to (among other things):

- (a) provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the performance of the Group and the Company's return to shareholders; and
- (b) enable the Group to retain and attract skilled and experienced employees and provide them with the motivation to make the Group more successful.

3. Eligibility

3.1 Employees of the Group will be selected by the Company's board or a committee of the Company's board (**Board**) to participate in the Employee Share Plan (**Eligible Employees**).

3.2 Each Eligible Employee will be individually notified of his or her award.

4. Acceptance

4.1 In order to accept an invitation to participate in the Employee Share Plan, an Eligible Employee must complete, sign and return the application form accompanying their invitation.

5. Maximum number of shares to be acquired

5.1 The maximum number of Shares that an Eligible Employee may be issued with under the Employee Share Plan will be set out in their invitation however the Board may not issue Shares under the Employee Share Plan if the total number of securities that would be issued under the Employee Share Plan during the previous 3 years exceeds 5% of the total number of issued securities in that class as at the date of the offer.

6. Issue price of Shares and Loan

6.1 The issue price of the Shares that an Eligible Employee may be issued with under the Employee Share Plan will be at the sole discretion of the Board and set out in their invitation.

6.2 The Company will advance to the Eligible Employee a loan to fund the amount to be paid by them to acquire Shares under the Employee Share Plan (**Loan**) by entering into a loan agreement with the Eligible Employee (**Loan Agreement**).

7. Interest payable on the Loan

7.1 There is no interest or fees payable on the Loan.

8. Repayment of Loan

8.1 If any dividends are declared and paid on the Shares, or an Eligible Employee disposes of any Shares, the dividend or proceeds of sale must be applied to repay the balance of the Loan.

8.2 An Eligible Employee must immediately repay the balance of the Loan on the earlier of the date:

- (a) they cease to be employed by the Group;
- (b) they fail to pay when due any money they are liable to pay under or in connection with the Loan;
- (c) they fail to comply with any of their other obligations under the Employee Share Plan or the Loan Agreement;
- (d) they commit an act of bankruptcy; or
- (e) they die or become incapable of managing their affairs.

9. Limited Recourse

9.1 The only recourse that the Company has is against the Shares issued to the Eligible Participant under the Employee Share Plan. That is, the Company has no right to make a claim against the Eligible Participant for failure to repay the Loan. It may only buyback the Shares and the consideration for the buyback will be used to repay the Loan.

10. Rights as a Shareholder

10.1 Once the Shares are issued to an Eligible Participant, they will have the same rights as other shareholders (such as voting or dividend rights).

11. Dealings with Shares

11.1 An Eligible Employee must not sell or transfer any Share acquired by them under the Employee Share Plan, unless:

- (a) the Board gives its prior written approval for the sale; and
- (b) the sale is made in accordance with the Loan Agreement.

12. Conditions

12.1 The Shares may be issued subject to certain conditions determined by the Board in its sole discretion and set out in the invitation to participate in the Employee Share Plan.

13. Employment

13.1 The Loan Agreement, the Employee Share Plan, the invitation and any other relevant documents, and the Eligible Employee's participation in the Plan, does not form part of their employment contract.

13.2 Participation in the Employee Share Plan will not in any way affect an Eligible Employee's rights and obligations under the terms under which they are employed.

14. Tax

14.1 An Eligible Employee should seek independent advice as to the taxation implications arising from participating in the Employee Share Plan. Due to the complex nature of the taxation laws and the fact that their application will depend on an Eligible Employee's particular circumstances, the Company is unable to provide individual advice as to the taxation implications of participation.

15. Any advice given by or on behalf of the Company in connection with the Employee Share Plan (if any) is general advice only. An Eligible Employee should consider obtaining their own financial advice from an independent person who is licensed by the Australian Securities and Investments Commission to give that advice. In addition, an Eligible Employee should consult their own tax adviser about the consequences of their participation in the Employee Share Plan.

**THREAT PROTECT AUSTRALIA LIMITED 2016
EMPLOYEE SHARE PLAN**

Threat Protect Australia Limited ACN 060
774 227
(COMPANY)

PHONE (61-8) 6211 5000 | FAX (61-8) 6211 5055 | ABN 83 662 050 688
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This **Threat Protect Australia Limited 2016 Employee Share Plan** is made on the day of 2016

1 Name of Plan

This document sets out the Rules of the Threat Protect Australia Limited 2016 Employee Share Plan.

2 Objectives

The objectives of the Plan are to:

- (a) establish a method by which Eligible Participants can participate in the future growth and profitability of the Company;
- (b) to provide an incentive and reward for Eligible Participants for their contribution to the Company; and
- (c) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

3 Risks and Implications

- (a) There are risks associated with participation in the Plan. These include the risk that the acquired Awards in the Company will lose value and that Participants may not benefit from their investment in the Awards.
- (b) Participation in the Plan also has tax and financial implications. Any advice provided by the Company in relation to the Awards offered under this Plan does not take into account an Eligible Participant's objectives, financial situation and needs. Eligible Participants should consult their tax, financial or other professional advisers and obtain their own financial product advice from a person who is licenced by ASIC to give such advice.
- (c) Eligible Participants should ensure that they understand both the risks and implications of participating in the Plan before accepting an Offer to participate in the Plan.

4 Definitions and interpretation

4.1 Definitions

In this Plan, unless the context otherwise requires:

- (a) "**5% Limit**" has the meaning set out in Rule 5.1(a);
- (b) "**Applicable Law**" means any one or more or all, as the context requires:
 - (i) the Corporations Act;
 - (ii) the Listing Rules;
 - (iii) the Constitution;
 - (iv) the Income Tax Assessment Act 1936 (Cth) and the Income Tax Assessment Act 1997 (Cth);
 - (v) any practice note, policy statement, regulatory guide, class order, declaration, guidelines, policy, procedure, ruling, judicial interpretation or

- other guidance note made to clarify, expand or amend (i), (ii) and (iv) above; and
- (vi) any other legal requirement that applies to the Plan;
- (c) “**Application Form**” means an application in the form as the Directors may from time to time prescribe accepting an Offer;
- (d) “**Application Date**” means the date on which an Application Form is lodged with the Company by an Eligible Participant (or their nominee) in accordance with the requirements of this Plan;
- (e) “**ASIC**” means the Australian Securities and Investments Commission;
- (f) “**Associated Body Corporate**” means a Body Corporate:
- (i) that is a Related Body Corporate of the Company;
- (ii) that has Voting Power in the Company of not less than 20%; and
- (iii) in which the Company has Voting Power of not less than 20%.
- (g) “**ASX**” means ASX Limited (ACN 008 624 691) operating as the Australian Securities Exchange and its subsidiaries;
- (h) “**Award**” means:
- (i) a Plan Share; or
- (ii) a Loan Share;
- as applicable.
- (i) “**Bad Leaver**” means a Participant whose employment or engagement with any Group Company ceases in any of the following circumstances:
- (i) the Participant’s employment or engagement is terminated, or the Participant is dismissed from office, due to:
- (A) serious and wilful misconduct;
- (B) material breach of the terms of any contract of employment, engagement or office entered into by any Group Company and the Participant;
- (C) gross negligence; or
- (D) other conduct justifying termination of employment, engagement or office without notice either under the Participant’s contract of employment or engagement or office, or at common law;
- (ii) the Participant ceases his or her employment or engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restrictions contained in his or her contract of employment, engagement or office entered into by the relevant Group Company and the Participant; or
- (iii) the Participant is ineligible to hold his or her office for the purposes of Part 2D.6 of the Corporations Act.
- (j) “**Blackout Period**” means a period when the Participant is prohibited from trading in the Company’s securities under the Company’s Securities Trading Policy;
- (k) “**Board**” means the Directors, from time to time, acting as a board or as a committee of the Board which is responsible for administering this Plan;

- (l) **"Body Corporate"** has the meaning given the Corporations Act;
- (m) **"Business Day"** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day;
- (n) **"Buy-Back"** means the purchase by the Company of Awards pursuant to Rule 18;
- (o) **"Certificate"** means the certificate or holding statement issued by the Company to a Participant in respect of an Award;
- (p) **"Change of Control Event"** occurs where:
 - (i) an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional;
 - (ii) the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
 - (iii) any other merger, consolidation or amalgamation involving the Company occurs which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
 - (iv) any Group Company or Group Companies enter into agreements to sell in aggregate a majority in value of the businesses or assets (whether or not in the form of shares in a Group Company) of the Group to a person, or a number of persons, none of which are Group Companies;
 - (v) the Board determines in its reasonable opinion, control of the Company has or is likely to change or pass to one or more persons, none of which are Group Companies;
- (q) **"Company"** means Threat Protect Australia Limited (ACN 060 774 227);
- (r) **"Conditions"** means any performance criteria, requirements or conditions (as specified in the Offer and determined by the Board in its sole and absolute discretion) which must be met prior to an Offer of an Award to a Participant, which the Board may consider reasonably appropriate;
- (s) **"Control"** has the meaning given to the term in section 50AA of the Corporations Act;
- (t) **"Constitution"** means the constitution of the Company;
- (u) **"Corporations Act"** means the *Corporations Act 2001* (Cth);
- (v) **"Director"** means a director of the Company from time to time;
- (w) **"Eligible Participant"** means any person who is designated by the Board to be an eligible participant under this Plan who satisfies the requirements of ASIC Class Order [CO 14/1000], or any amendment or replacement thereof, including a:
 - (i) full-time or part-time employee (including an executive Director); or
 - (ii) non-executive Director.
- (x) **"Final Acceptance Date"** has the same meaning set out in Rule 6.3(a);

- (y) **"Good Leaver"** means a Participant who ceases employment or engagement with any Group Company ceases and who is not a Bad Leaver, and includes where a Participant's employment or engagement ceases due to death, permanent incapacity, redundancy, resignation, retirement or any other reason the Board determines in its sole and absolute discretion;
- (z) **"Group"** means the Company and its Associated Bodies Corporate and Group Company means any one of them;
- (aa) **"Issue Date"** means the date on which Awards are issued to a Participant;
- (bb) **"Issue Price"** means the issue price per Award payable upon being issued the Awards with such price determined by the Directors in their absolute discretion and set out in an Offer;
- (cc) **"Listing Rules"** means the Listing Rules of the ASX as amended from time to time;
- (dd) **"Loan"** means a loan made by the Company to an Eligible Participant under this Plan to fund the acquisition of Loan Shares by an Eligible Participant on the terms and conditions set out in a Loan Agreement;
- (ee) **"Loan Agreement"** means an agreement between the Company and an Eligible Participant evidencing a Loan by the Company to assist with the acquisition of Loan Shares in the form approved by the Board from time to time;
- (ff) **"Loan Amount"** means the total amount outstanding under a Loan;
- (gg) **"Loan Offer"** means a written offer made by the Company to an Eligible Participant for the provision of a Loan in accordance with Rule 11.1;
- (hh) **"Loan Offer Acceptance Date"** means the date by which a Loan Offer must be accepted by an Eligible Participant as set out in a Loan Offer;
- (ii) **"Loan Share"** means any Share issued pursuant to this Plan using funds provided from a Loan that has not yet been repaid;
- (jj) **"Loan Term"** means the term of the Loan as specified in the Loan Offer;
- (kk) **"Offer"** means an offer of an Award to an Eligible Participant or Permitted Nominee made in accordance with Rule 6;
- (ll) **"Official List"** means the official list of the ASX;
- (mm) **"Official Quotation"** means the quotation of the Company's Shares on the Official List;
- (nn) **"Participant"** is an Eligible Participant or Permitted Nominee who has accepted an Offer to participate in the Plan and who agrees to be bound by these Rules;
- (oo) **"Permitted Nominee"** means in respect of an Eligible Participant:
 - (i) an immediate family member of the Eligible Participant who is at least 18 years of age;
 - (ii) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant; or
 - (iii) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*), where the Eligible Participant is a director of the trustee.
- (pp) **"Plan"** means this Threat Protect Australia Limited 2016 Employee Share Plan established and operated in accordance with these Rules;

- (qq) **"Plan Share"** means any Share issued pursuant to this Plan that is not a Loan Share;
- (rr) **"PPSR"** means the personal property securities register established pursuant to the *Personal Property Security Register Act 2009 (Cth)*;
- (ss) **"Related Body Corporate"** has the same meaning as given to that term in the Corporations Act; and
- (tt) **"Rules"** means these rules in respect of the operation of the Plan, as amended from time to time;
- (uu) **"Securities Trading Policy"** means the Company securities trading policy, as amended from time to time;
- (vv) **"Security Interest"** means a mortgage, charge, pledge lien, encumbrance of other third party interest of any nature;
- (ww) **"Share"** means a fully paid ordinary share in the Company;
- (xx) **"Shareholder"** means any holder of Shares;
- (yy) **"Tax"** means all forms of taxes (including, without limitation, PAYG withholding, income tax and fringe benefits tax), imposts, charges, withholdings or other governmental impositions collected, imposed, assessed or charged by a taxation authority and any related interest penalties, fines, expenses and other additional statutory charges.
- (zz) **"Termination Date"** means the date the termination of directorship or employment arrangement of a Participant takes effect, under the Participant's written employment agreement or otherwise.
- (aaa) **"Voting Power"** has the meaning given in the Corporations Act; and
- (bbb) **"Withholding Tax Amount"** has the meaning set out in Rule 15.2.

4.2 Interpretation

In the interpretation of this Plan, headings are for convenience only, and unless the context otherwise requires:

- (a) any word or phrase used in this Plan which is not defined but which is defined in the Listing Rules has the same effect as that contained in the Listing Rules;
- (b) words importing any gender include all genders;
- (c) the singular includes the plural and vice versa;
- (d) references to Rules and annexures are references to Rules and annexures of and to this Plan;
- (e) the word **"includes"** in any form is not a form of limitation;
- (f) a person includes a natural person, partnership, joint venture, government agency, association, corporation or other body corporate;
- (g) a document includes all amendments or supplements to that document;
- (h) a monetary amount is in Australian dollars;
- (i) when the day on which something must be done is not a Business Day, that thing must be done on the following Business Day; and
- (j) in determining the time of day, where relevant to these Rules, the relevant time of day is:

- (i) for the purposes of giving or receiving notices, the time of day where a party receiving a notice is located; or
- (ii) for any other purpose under these Rules, the time of day in the place where the party required to perform an obligation is located.

5 The Plan

5.1 Plan limit

- (a) The Directors will not make an Offer or issue an Award in accordance with the Plan if the total number of Awards, when aggregated with the number of Shares issued, or that may be issued, as a result of offers made at any time during the previous three (3) year period under:

- (i) An employee incentive scheme of the Company or an Associated Body Corporate, where offers were covered by ASIC Class Order [CO 14/1000] or an individual instrument made by ASIC in terms similar to ASIC Class Order [CO 14/1000]; or
- (ii) An employee incentive scheme or employee share scheme of the Company or an Associated Body Corporate, where the offers were covered by ASIC Class Order [CO 03/184] or an individual instrument made by ASIC in terms similar to that class order,

would exceed five (5) per cent of the total number of issued Shares in the Company as at the time of the Offer or issue (**5% Limit**).

- (b) The 5% Limit shall be subject to adjustment or increase pursuant to the provisions of Rule 12.1 or as may otherwise be permitted by Applicable Law.

5.2 Administration of the Plan

Subject to the requirements of the Listing Rules and the Corporations Act, the Board will administer the Plan and determine:

- (a) the persons to whom the Awards will be offered under the Plan;
- (b) the number of Awards which may be offered to those persons;
- (c) any approvals required under the Listing Rules or otherwise; and
- (d) any Conditions that must be satisfied by a Participant.

Every exercise of a discretion by the Board and any decision by the Board regarding the interpretation, effect or application of these Rules will be final, conclusive and binding.

5.3 Directors

- (a) Where required in accordance with the requirements of the Listing Rules and/or the Corporations Act, Awards may not be offered to a Director or his or her associates except where approval is given by the Shareholders in a general meeting.
- (b) For the avoidance of doubt, the issue of an Award to a Director will not be permitted except where approval is given by the Shareholders in a general meeting in accordance with any Applicable Law.

5.4 Financial assistance

The issue of any Loan Share will not be permitted except where approval is given by the Shareholders in a general meeting in accordance with any Applicable Law.

6 Offers

6.1 Eligibility

The Board may from time to time in its sole and absolute discretion determine that an Eligible Participant may participate in the Plan.

6.2 Offer to Eligible Participants

Following determination that an Eligible Participant may participate in the Plan, the Board may from time to time make an Offer in writing to an Eligible Participant. Subject to Rule 6.3, the manner form, content, timing and frequency of an Offer will be as determined by the Board in its sole and absolute discretion.

6.3 Form of Offer

Each Offer must specify:

- (a) the date of the Offer, and the final date the Offer must be accepted by (**Final Acceptance Date**);
- (b) the name and address of the Eligible Participant to whom the Offer is made;
- (c) the type of Awards being offered;
- (d) the maximum number of Awards being offered;
- (e) the Conditions (if any) relating to the Awards being offered;
- (f) any rights attaching to the Awards;
- (g) any restrictions attaching to the Awards;
- (h) the Issue Price, or the method by which the Issue Price is to be determined;
- (i) whether or not a Loan Offer accompanies the Offer, and if so, the terms and conditions of the Loan Agreement that is offered in connection with the Awards;
- (j) agreement with the Eligible Participant for the Company to supply details to third parties where required by Applicable Law; and
- (k) any other matters required to be specified in the Offer by either the Corporations Act, the Listing Rules or an applicable ASIC Class Order or instrument of relief,

and attach an Application Form and a copy of this Plan.

7 Application for Awards

7.1 Acceptance

- (a) An Eligible Participant who wishes to accept an Offer must confirm in writing their acceptance of the conditions of the issue of Awards and the Rules governing such Awards as a condition of their participation by giving to the Company a duly completed Application Form by the Final Acceptance Date.
- (b) For the avoidance of doubt, the Board in its sole and absolute discretion can refuse to allow an Eligible Participant to participate in the Plan even though an Application Form is received from the Eligible Participant in accordance with Rule 7.1(a).
- (c) An Eligible Participant may in his or her discretion accept the Offer in whole or in part, in such multiple as the Board may allow in its sole and absolute discretion. An Eligible Participant cannot accept less than the number of Awards that would constitute the minimum parcel determined by the Board.

7.2 Permitted Nominee

- (a) Subject to Rule 11.1(e), the Board may, in its sole and absolute discretion, determine that an Eligible Participant to whom an Offer is made may give notice that they would prefer such Offer be made to a Permitted Nominee.
- (b) The Board may in its sole and absolute discretion determine whether it will make the Offer to the Permitted Nominee and on what conditions it will agree to do so.
- (c) An Eligible Participant must immediately notify the Company in writing as soon as they become aware, in the case of a Permitted Nominee which is a company or trust:
 - (i) that they cease to Control their Permitted Nominee;
 - (ii) of any transaction which may result in them ceasing to Control their Permitted Nominee; or
 - (iii) that they cease to have an entitlement (whether or not that entitlement requires an exercise of discretion) to a majority of the distributions of their Permitted Nominee.
- (d) If an Eligible Participant ceases to Control their Permitted Nominee at any time (in the case of a Permitted Nominee which is a company or trust), the Board may determine that any Awards issued to the Permitted Nominee be transferred to the Eligible Participant or to another Permitted Nominee which is acceptable to the Board.

7.3 Participation

Following receipt of an Application Form by the Final Acceptance Date and subject to Rule 7.1(b), and provided that the Eligible Participant is then still an Eligible Participant of a Group Company, the Eligible Participant will be entitled to participate in the Plan according to the Rules.

7.4 Lapse of Offer

An Offer not accepted in accordance with Rule 7.1 will lapse at 5.00pm Perth time on the Final Acceptance Date.

8 Terms of Awards

8.1 Shares to rank equally

Any Award issued by the Company to a Participant will rank equally with all existing Shares on and from the Issue Date.

8.2 Dividends

Subject to clause 11.3(b), a Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on Awards which, at the books closing date for determining entitlement to those dividends, are standing to the account of the Participant.

8.3 Dividend reinvestment

- (a) The Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant and such participation must be in respect of all such Plan Shares. Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant.

(b) For the avoidance of doubt, clause 8.3(a) does not apply to Loan Shares.

8.4 Voting rights

A Participant may exercise any voting rights attaching to Awards registered in the Participant's name.

8.5 Conditions

The Board will determine prior to an Offer being made, and specify in the Offer, any Conditions attaching to the Awards.

8.6 No transfer of Awards

Awards granted under this Plan may not be assigned, transferred, novated, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, unless:

- (a) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, novation, encumbrance or disposal as the Board sees fit in its sole and absolute discretion; or
- (b) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.

8.7 New issues

An issue of Awards confers on a Participant the right to participate in new issues of Shares by the Company, including by way of bonus issue, rights issue or otherwise.

8.8 Awards to be registered

Awards will be registered in the appropriate register of the Company to facilitate the efficient management and administration of the Plan and to comply with regulatory reporting requirements.

8.9 Quotation

The Company will apply for Quotation of Awards issued to Participants within the time required by the Listing Rules after the Issue Date.

9 Disposal restrictions on Awards

9.1 Board determines

The Board may, in its sole and absolute discretion, determine prior to an Offer being made, whether there will be any restrictions on the disposal of, the granting (or purporting to grant) of any Security interest in or over, or otherwise on dealing with (or purporting to dispose or deal with), Awards held by any Participant.

9.2 No transfer

Subject to clause 9.1, Awards, or any beneficial or legal interest in Awards, may not be transferred, encumbered or otherwise disposed of, or have a Security Interest granted over them, by a Participant unless all restrictions on the transfer, encumbrance or disposal of the Awards have been met, the Board has waived any such restrictions, or prior consent of the Board is obtained which consent may impose such terms and conditions on such transfer, encumbrance or disposal as the Board sees fit.

9.3 Company actions

The Company may do such things and enter into such arrangements with the Company's share registry or otherwise as it considers necessary to enforce the transfer restrictions set out in clause 9.2, including but not limited to imposing a holding lock on the Awards during

the relevant restriction period. Participants will be bound by any action by the Company under this clause 9.3.

9.4 Overriding restrictions on dealing with Awards

Awards must not be dealt with under this Plan if to do so would contravene Applicable Laws.

9.5 Company's Share Trading Policy

At all times Participants must comply with the Company's Securities Trading Policy.

10 Breach, fraud or dishonesty

Where, in the opinion of the Board, a Participant:

- (a) acts fraudulently or dishonestly; or
- (b) is in material breach of his or her duties or obligations to any Group Company,

then the Board may in its sole and absolute discretion determine that where any Awards have been sold by the Participant, require the Participant to pay all or part of the net proceeds of that sale to the Company.

11 Loans

11.1 Grant of Loans

- (a) The Company:
 - (i) may, in its sole and absolute discretion, make an offer to an Eligible Participant to provide a Loan for the sole purpose of funding the Eligible Participant's acquisition of Loan Shares; and
 - (ii) must make an offer to an Eligible Participant to provide a Loan for the sole purpose of funding the Eligible Participant's acquisition of Loan Shares,

on the terms set out in this clause 11.

- (b) Following receipt of a Loan Offer made in accordance with clause 11.1(a), the Eligible Participant may accept the Loan Offer (in whole or in part) by delivering to the Company a duly countersigned and completed Loan Offer and Loan Agreement on or before the Loan Offer Acceptance Date.
- (c) Following receipt of a Loan Offer made in accordance with clause 11.1(a), the Eligible Participant must accept the Loan Offer as a condition of accepting the Offer that accompanied the Loan Offer.
- (d) The Board may not withdraw a Loan Offer before the Loan Offer Acceptance Date.
- (e) For the avoidance of doubt, the Loan Offer, in the Board's sole and absolute discretion, may only be accepted by a natural person who is an Eligible Participant, and in the name of the Eligible Participant.

11.2 General terms and conditions

- (a) Loans will be interest free.
- (b) Any Loan made available to an Eligible Participant shall be applied by the Company directly toward payment of the Loan Shares to be acquired by the Eligible Participant.

- (c) The Loan Term and the manner for making payments under the Loan shall be determined by the Board and set out in the Loan Offer and Loan Agreement.

11.3 Repayment

- (a) The amount repayable on the Loan by the Eligible Participant will be the lesser of:
 - (i) the Issue Price multiplied by the number of Loan Shares issued less any cash dividends paid in respect of Loan Shares and applied by the Company in accordance with clause 11.3(b) and any repayments made by the Eligible Participant; and
 - (ii) if the Loan Shares are sold by the Company, the amount realised by the Company from the sale.
- (b) Cash dividends which are paid in respect of Loan Shares will be applied by the Company on behalf of the Eligible Participant to repayment of the Loan Amount and any surplus of the cash dividend will be paid to the Eligible Participant.
- (c) If the Company announces a renounceable rights issue and the Eligible Participant elects to sell his or her rights in respect of any Loan Shares then the proceeds from the sale of such rights shall be applied by the Company on behalf of the Eligible Participant to repayment of the Loan Amount.
- (d) An Eligible Participant may elect to repay the Loan Amount at any time prior to expiry of the Loan Term.
- (e) If the Eligible Participant holds Loan Shares and:
 - (i) fails to satisfy any of the terms of the Loan Agreement;
 - (ii) dies or suffers a permanent disability;
 - (iii) becomes bankrupt; or
 - (iv) ceases to be employed, engaged or hold office with any Group Company,

then the Eligible Participant may elect, by serving written notice on the Company within one month from the date of happening of any of the events referred to above to:

- (v) immediately repay the Loan Amount in full; or
- (vi) have the Company sell the Loan Shares in the ordinary course of trading on ASX. If the proceeds of the sale exceed the Loan Amount, the Company will remit the excess of the proceeds to the Eligible Participant. The Company and the attorney appointed in accordance with clause 13 will have complete discretion in relation to the sale of the Loan Shares, and will not be liable to the Eligible Participant in respect of the timing of or price obtained or any other circumstances relating to the sale.
- (f) If clause 11.3(e)(ii) applies or the Eligible Participant is a Good Leaver, the period of one month referred to in clause 11.3(e) may be extended to 12 months or such longer period as the Board in its sole and absolute discretion may decide.
- (g) If the Eligible Participant fails to make an election within the time period specified in clause 11.3(e) as may be extended by clause 11.3(f), the Eligible Participant will be deemed to have elected to have the Company sell the Loan Shares in accordance with clause 11.3(e)(vi).
- (h) If an Eligible Participant wishes to sell Loan Shares before repayment in full of the Loan Amount, the Eligible Participant may give written notice to the Company requesting that the Company sell his or her Loan Shares. The Board may, in its

sole and absolute discretion, and provided the Board is of the opinion that the proceeds from the sale of the Loan Shares are reasonably likely to exceed the Loan Amount, have the Company sell the Loan Shares in accordance with clause 11.3(e)(vi) within 30 days of the request.

- (i) Once Loan Shares are sold by the Company in accordance with clause 11.3(e)(vi) or clause 11.3(h), or a Loan Amount is repaid in full, the Loan is fully satisfied and the Eligible Participant has no further liability to the Company in respect of the Loan.

11.4 Holding lock

Until such time as a Loan is repaid in full:

- (a) the Company will hold all Certificates or holding statements in respect of the Loan Shares;
- (b) the Eligible Participant must not grant any Security Interest in or over the Loan Shares, unless it has first obtained the prior approval of the Board, which approval may be withheld in the Board's sole and absolute discretion;
- (c) the Eligible Participant must not sell or transfer or attempt to sell or transfer the Loan Shares except in accordance with these Rules; and
- (d) the Company may implement any procedure it considers appropriate to restrict the Eligible Participant from having the Loan Shares transferred to another person including, without limitation, imposing a holding lock (as that term is defined in the Listing Rules) on all Loan Shares, and for so long as the restriction imposed remains in place, the Eligible Participant will effectively be prevented from having the Loan Shares transferred to another person.

11.5 Security

The Company shall have a lien over the Loan Shares. Where requested by the Company, the Eligible Participant agrees to grant to the Company a share mortgage or any other security over the Loan Shares as security for the repayment of the Loan. The attorney appointed in accordance with clause 13 is authorised to do all things required and execute all documents necessary to effect this security over the Loan Share, including registering the lien on the PPSR, and to enforce this security against the Eligible Participant. The security shall be in the form prescribed by the Company.

12 Capital events

12.1 Variation of capital

If there are variations to the share capital of the Company including a variation or rights issue, sub-division, consolidation, reduction, return or cancellation of share capital, a demerger (in whatever form) or other distribution in specie, the Board may adjust the number of Awards in accordance with the Listing Rules.

12.2 Fairness in application

In the application of this Rule 12, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules.

12.3 Notice of variation

As soon as reasonably practicable after making any adjustment under Rule 12.1, the Board will give notice in writing of the adjustment to any Participant affected by it.

13 Power of Attorney

In consideration of the issue of any Awards, each Participant irrevocably appoints each director and the secretary for the time being of the Company severally as his or her attorney, to do all acts and things and to complete and execute any documents, including share transfers, in his or her name and on his or her behalf that may be convenient or necessary for the purpose of giving effect to the provisions of these Rules or the terms of the Awards, including for the purposes of giving effect to the buy-back or sale of Awards, and the application of the proceeds of the sale of Awards. The Participant (or after his or her death, his or her legal representative) will be deemed to ratify and confirm any act or thing done under this power and to indemnify and keep indemnified the attorney in respect of doing so.

14 Powers of the Board

This Plan will be administered by the Board which will have an absolute discretion to:

- (a) determine appropriate procedures for administration of the Plan consistent with the Rules;
- (b) resolve conclusively all questions of fact or interpretation arising in connection with this Plan;
- (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of any of their powers or discretions under this Plan; and
- (d) formulate special terms and conditions (subject to the Listing Rules), in addition to those set out in this Plan to apply to Participants employed and/or resident in and/or who are citizens of countries other than Australia. Each of these special terms and conditions will be restricted in their application to those Participants employed and/or resident in and/or who are citizens of other jurisdictions.

15 Taxation

15.1 No liability

Neither the Company nor its directors, officers, employees, representatives, advisers or agents:

- (a) take any responsibility or assume any liability for the Tax liabilities of Eligible Participants or Participants as a consequence of their participation in the Plan; or
- (b) represent or warrant that the Plan will have any particular Tax or financial consequences or that the Eligible Participant or Participant will gain any Tax or financial advantage by participating in the Plan.

15.2 Taxes

Upon the issue of an Award, the Participant shall make arrangements satisfactory to the Company regarding payment of any federal, state, provincial, local or other taxes of any kind required by law to be paid in connection with the issue or exercise of an Award. In order to satisfy the Company's obligation, if any, to remit an amount to a taxation authority on account of such taxes in respect of the exercise, transfer or other disposition of an Award (the "**Withholding Tax Amount**"), the Company shall have the right, at its discretion, to:

- (a) retain and withhold amounts from any amount or amounts owing to the Participant, whether under this Plan or otherwise;
- (b) require the Participant to pay to the Company the Withholding Tax Amount as a condition of issue of an Award by a Participant, where the payment received by the Company shall be held on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and/or
- (c) withhold from the Awards otherwise deliverable to the Participant such number of Shares as have a market value not less than the Withholding Tax Amount and cause such withheld Shares to be sold on the Participant's behalf to fund the Withholding Tax Amount, where:
 - (i) the Company will not be responsible for obtaining any particular price for the Shares;
 - (ii) the proceeds of any Shares sold shall be held by the Company on behalf of the Participant, and remitted to the appropriate taxing authority by the Company on behalf of the Participant; and
 - (iii) any proceeds from such sale in excess of the Withholding Tax Amount shall be promptly paid over to the Participant.

Notwithstanding the foregoing, nothing shall preclude the Company and the Participant from agreeing to use a combination of the methods described in this Rule 15.2 or some other method to fund the Withholding Tax Amount.

16 Commencement, suspension, termination and amendment of the Plan

16.1 Commencement

Subject to the passing of any necessary resolution approving the establishment of the Plan and the issue of the Awards, the Plan will take effect when the Board decides.

16.2 Suspension or termination

- (a) Subject to Rule 16.2(b), the Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.
- (b) In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

16.3 Amendment of Plan

- (a) Subject to Rules 16.3(b) and 16.3(c), the Listing Rules and the Constitution, the Board may at any time amend these Rules or the terms upon which any Awards have been issued under the Plan. Without limiting the scope of the foregoing, the Board may make the following amendments to the Plan without shareholder approval:
 - (i) amendments of the type described in Rule 16.3(b)(i);
 - (ii) amendments of a "housekeeping" nature, which include amendments relating to the administration of the Plan or to eliminate any ambiguity or correct or supplement any provision herein which may be incorrect or incompatible with any other provision hereof; and/or
 - (iii) changing the provisions on transferability of Awards for normal estate settlement purposes.

- (b) No amendment to these Rules or to the terms of any Awards issued under the Plan may be made if the amendment materially reduces the rights of any Participant in respect of Awards issued to them prior to the date of the amendment, other than:
 - (i) an amendment introduced primarily:
 - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
 - (B) to correct any manifest error or mistake;
 - (C) to allow the implementation of a trust arrangement in relation to the holding of Awards issued under the Plan;
 - (D) for the purpose of complying with Applicable Laws; and/or
 - (E) to take into consideration possible adverse taxation implications (including, without limitation, on account of fringe benefits tax) for the Company in respect of the Plan or the Awards issued, including as a result of changes to applicable taxation legislation or the interpretation of that legislation by any taxation authority or a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
 - (ii) an amendment agreed to in writing by the Participant(s).
- (c) Notwithstanding anything contained herein to the contrary, no amendment to the Plan requiring the approval of the shareholders of the Company under any applicable securities laws or requirements shall become effective until such approval is obtained. Without limitation of the foregoing, the approval of a majority of the shareholders of the Company present in person or by proxy and entitled to vote at a meeting of shareholders shall be required for the following matters, to the extent required by applicable securities laws and regulatory requirements:
 - (i) any amendment to the provisions of this Rule 16.3;
 - (ii) any amendment to increase the Plan Limit (other than pursuant to Rule 12.1);

in each case, unless the change results from the application of Rule 12.
- (d) Subject to the Listing Rules and, if applicable, any shareholder approval, the Board may determine that any amendment to these Rules or the terms of Awards issued under the Plan be given retrospective effect.
- (e) Amendment of these Rules or the terms upon which Awards are issued under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- (f) As soon as reasonably practicable after making any amendment to these Rules or the terms of Awards issued under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

16.4 Amendment by addendum

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply in particular jurisdictions or circumstances by means of an addendum to these Rules.

17 Listing Rules

While the Company remains admitted to the ASX, the terms and conditions of the Plan must at all times comply with the Listing Rules. If there is any inconsistency between the terms and conditions of the Plan and the Listing Rules then the Listing Rules will prevail.

18 Buy-Back

Subject to compliance with Applicable Laws, the Company may Buy-Back Awards for an amount agreed with the Participant at any time. Each Participant will do all acts, matters and things which are necessary or desirable to give effect to any Buy-Back of his or her Awards.

19 Contravention of Applicable Laws

- (a) No act will be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws, and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of Awards.
- (b) Without limiting Rule 19(a), no person may, whether directly or indirectly, provide financial assistance which is prohibited by the Corporations Act to an Eligible Participant for the purposes of, or in connection with, the acquisition of Awards under the Plan.
- (c) Notwithstanding any of the provisions contained in this Plan or in any Offer, the Company's obligation to issue Awards shall be subject to the following:
 - (i) completion of such registration or other qualification of such Awards and the receipt of any approvals of governmental authority or stock exchange as the Company shall determine to be necessary or advisable in connection with the authorisation, issuance or sale thereof;
 - (ii) the admission of such Awards to listing on any stock exchange(s) or over-the-counter market on which the Shares may then be listed or quoted; and
 - (iii) the receipt from the Participant of such representations, agreements and undertakings, including as to future dealings in such Awards, as the Company or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any applicable jurisdiction.
- (d) In connection with Rule 19(c), the Company shall, to the extent necessary, take all steps determined by the Board, in its discretion, to be reasonable to obtain such approvals, registrations and qualifications as may be necessary for the issuance or procurement of such Awards in compliance with applicable securities laws and for the listing or quotation of such Awards on any stock exchange(s) on which the Awards are then listed or quoted.

20 Rights of Participants

Nothing in these Rules, participation in the Plan or the terms of any Awards:

- (a) confers upon an Eligible Participant a right to an Offer;

- (b) confers on an a Participant the right to continue as an employee or officer of any Group Company or participate in the Plan;
- (c) affects the rights of any Group Company to terminate the employment, engagement or office of a Participant;
- (d) affects the rights and obligations of any Participant under the terms of their employment, engagement or office with any Group Company;
- (e) confers any legal or equitable right on an a Participant whatsoever to take action against any Group Company in respect of their employment, engagement or office;
- (f) confers on a Participant any rights to compensation or damages in consequence of the termination of their employment, engagement or office by any Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination; or
- (g) confers any responsibility or liability on any Group Company or its directors, officers, employees, representatives, advisers or agents in respect of any taxation liabilities of the Participant.

21 ASIC relief

Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to its power to exempt and modify the Corporations Act and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this Rule 21 to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

22 Non-exclusivity

22.1 Non-exclusivity

This Plan will not be deemed to be the exclusive method of providing incentive compensation to an Eligible Participant, nor will it preclude any Group Company from authorising or approving other forms of incentive compensation for employees of any Group Company.

22.2 Relationship to other equity plans

Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by any Group Company, except as specifically provided in the terms of that other plan.

23 General

23.1 Costs and Expenses

The Company will pay all expenses, costs and charges in relation to the establishment, implementation and administration of the Plan, including all costs incurred in or associated with the issue or purchase of Awards for the purposes of the Plan. Each Group Company will, if required by the Board, reimburse the Company for any such costs and charges to the extent that they relate to its employees or officers, or former employees or officers.

23.2 Data protection

By submitting an Application Form, each Participant consents to the holding and processing of personal data provided by the Participant to any Group Company for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participants' records;
- (b) providing information to trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside Australia.

23.3 Error in Allocation

If any Award is issued under this Plan in error or by mistake to a person (**Mistaken Recipient**) who is not the intended recipient, the Mistaken Recipient shall have no right or interest, and shall be taken never to have had any right or interest, in that Award and any such Awards will immediately be forfeited.

23.4 Dispute

Any disputes or differences of any nature arising under the Plan will be referred to the Board for determination.

23.5 No fiduciary capacity

The Board may exercise any power or discretion conferred on it by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests of another person or as requested by another person and will not be under any fiduciary obligation to another person.

23.6 Non-residents of Australia

- (a) The Board may adopt additional Rules applicable to any jurisdiction outside Australia under which Awards issued under the Plan may be subject to additional or modified terms, having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or any Group Company in relation to those Awards. Any additional Rule must conform to the basic principles of the Plan.
- (b) When an Award is issued under the Plan to a Participant who is not a resident of Australia, the Rules apply subject to such alterations or additional terms as the Board determines having regard to any securities exchange control or taxation laws or regulations or similar factors which may apply to the Participant or to any Group Company in relation to the Award.

23.7 Enforcement

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Awards granted under the Plan, will be deemed to form a contract between the Company and the Participant.

23.8 Participants Bound

Participants issued Awards under this Plan are bound by this Plan and by the Constitution of the Company.

23.9 Notices

- (a) Address for service
 - (i) Any notice required to be given to the Participants under the Plan or the terms of the Awards issued will be sent to the address of the Participant as entered in the register unless delivered in person.
 - (ii) Any notice required to be given to the Company under the Plan or the terms of the Awards issued will be sent to the registered office of the Company or such other address as is notified to Participants from time to time.
- (b) Delivery of notices
 - (i) Any notice to be given to Participants may be delivered by hand to the Participant or by any other means specified in the Constitution for delivery of notices to members.
 - (ii) Any notice to be given to the Company may be delivered by hand or by prepaid post. Notices may also be given to the Company by means of facsimile, e-mail or other mode of electronic delivery to such address as is notified by the Company to the Participant.
 - (iii) Notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia. Notices delivered by facsimile, e-mail or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

23.10 Governing Law

This Plan and any Awards issued under it shall be governed by and is to be construed in accordance with the laws of the State of Western Australia and the Commonwealth of Australia.

11 October 2016


The Directors
Threat Protect Australia Limited
Suite 12, Level 1
11 Ventnor Avenue
WEST PERTH WA 6005

Dear Sirs

NOMINATION OF AUDITOR

In accordance with the provisions of Section 328B of the Corporations Act, I Demetrios Pynes, being a member of Threat Protect Australia Limited, hereby nominate BDO Audit (WA) Pty Ltd for appointment as auditor of the Company.

Yours faithfully



Demetrios Pynes

**PROXY FORM
 APPOINTMENT OF PROXY
 THREAT PROTECT AUSTRALIA LIMITED
 ACN 060 774 227**



ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 10:00AM WST, on 29 November 2015 at Cliftons, Ground Floor, Parmelia House, 191 St Georges Terrace, Perth WA 6000, and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote, to the extent permitted by law.

Voting on business of the Meeting		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 Derek La Ferla	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Financial Assistance for Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Important for Resolutions 1 and 4.

If you have not directed your proxy how to vote as your proxy in respect of Resolutions 1 and 4 all resolutions referred to in paragraph below next to box] and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolutions 1 and 4 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolutions 1 and 4 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolutions 1 and 4 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 and 4.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail: YES NO



THREAT PROTECT AUSTRALIA LIMITED

ACN 060 774 227

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to the Company, PO Box 561, BELMONT WA 6984; or
 - (b) facsimile to the Company on facsimile number +61 (08) 9322 9711,so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.