



engage:BDR Limited
ACN 621 160 585

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Friday, 31 May 2019

Time of Meeting:
3:00 PM (AEST)

Place of Meeting:
Chartered Accountants Australia and New Zealand
Level 18 Bourke Place
600 Bourke Street
Melbourne Victoria 3000

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

engage:BDR Limited

ACN 621 160 585

Registered office: Scottish House, Level 4, 90 William Street, Melbourne, Victoria, 3000

NOTICE OF ANNUAL GENERAL MEETING

Notice hereby is given that the Annual General Meeting of Shareholders of engage:BDR Limited (the "Company") will be held at Chartered Accountant Australia and New Zealand, Level 18 Bourke Place 600 Bourke Street Melbourne, Victoria 3000 at 3:00PM (AEST) on Friday, 31 May 2019 ("Annual General Meeting" or "Meeting").

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, includes defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

ORDINARY BUSINESS:

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors and auditors for the financial year ended 31 December 2018.

There is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Director's report) for the financial year ended 31 December 2018 be adopted."

Resolution 2: Election of Mr Darian Pizem as a Director of the Company

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

"That Mr Darian Pizem, having been appointed a Director during the year to fill a casual vacancy, vacates office in accordance with the Constitution of the Company and, being eligible, offers himself for election, be elected as a Director of the Company."

Resolution 3: Election of Mr Robert Antulov as a Director of the Company

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

"That Mr Robert Antulov, having been appointed a Director during the year to fill a casual vacancy, vacates office in accordance with the Constitution of the Company and, being eligible, offers himself for election, be elected as a Director of the Company."

Resolution 4: Ratification of Prior Issue of Shares

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 589,300 fully paid ordinary shares on 28 February 2019 at a deemed issue price of

\$0.051 (5.1 cents) per share to StockOnline Pty Ltd as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 5: Ratification of Prior Issue of Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 2,000,000 fully paid ordinary shares on 28 February 2019 at a deemed issue price of \$0.022 (2.2 cents) per share to S3 Consortium Pty Ltd as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 6: Ratification of Prior Issue of Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 18,607,945 fully paid ordinary shares on 28 February 2019 at a deemed issue price of \$0.021 (2.1 cents) per share issued in relation to settlement of outstanding creditor balances as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 7: Ratification of Prior Issue of Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 137,405 fully paid ordinary shares on 8 March 2019 at a deemed issue price of \$0.022 (2.2 cents) per share to Vendors of the AdCel Inc. Acquisition as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 8: Ratification of Prior Issue of Listed Options

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 4,000,000 Listed Options on 8 March 2019 issued at a nil issue price per option to Sanlam Private Wealth (or its nominee) as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 9: Ratification of Prior Issue of Shares

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 12,467,980 fully paid ordinary shares on 18 March 2019 at a deemed issue price of \$0.031 (3.1 cents) per share issued in relation to settlement of outstanding creditor balances as described in the Explanatory Statement which accompanies and forms part of this Notice.”

Resolution 10: Approval to issue Fully Paid Ordinary Shares

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

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 100,000,000 fully paid ordinary shares on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice.”

SPECIAL BUSINESS

Resolution 11: Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement”

By order of the Board



Ted Dhanik
Executive Chairman
Dated: 26 April 2019

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting. On a poll, members have one vote for every fully paid ordinary share held.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. If you sign the proxy form and do not appoint a proxy, you will have appointed the Chairman of the meeting as your proxy.
 - i. To be effective, proxy forms must be received by the Company's share registry (Computershare Investor Services Pty Ltd) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 3:00pm (AEST) on Wednesday, 29 May 2019. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chairman will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chairman of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolution 1

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote:

- (a) In accordance with a direction on the proxy form; or,
- (b) By the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolutions 2 and 3

There are no voting exclusions on these resolutions.

Resolutions 4, 5, 6, 7, 8 and 9

The Company will disregard any votes cast in favour of Resolutions 4, 5, 6, 7, 8 and 9 by or on behalf of any person who participated in the relevant issue and any associates of those persons.

However, the Company need not disregard a vote if it is cast:

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

Resolution 10

The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company), or any associates of those people.

However, the Company need not disregard a vote if it is cast:

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

Resolution 11

The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of any person who is expected to participate in the proposed issue or any person who will obtain a material benefit, except a benefit solely in the capacity of a holder of ordinary shares, from the proposed issue and any associate of such person.

However, the entity need not disregard a vote if:

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

7. Special Resolution

Resolution 11 is proposed as a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

8. Enquiries

Shareholders are invited to contact the Company Secretary on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 31 December 2018 (which incorporates the Company's financial report, reports of the Directors including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution costs associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website: www.engagebdr.com or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2018 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that in accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

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

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 2: Election of Mr Darian Pizem as a Director of the Company

Background

Mr Darian Pizem was appointed as a Non-Executive Director on 30 October 2018 as a casual vacancy and is eligible for election, in accordance with the Company's Constitution.

Mr Pizem is the Co-Founder and current CEO of Blockbuster Ventures based in Sydney. Blockbuster is a blockchain development company that assists companies in the development of blockchain technology, real-time deployment, commercialisation, and other cost-saving measures.

In addition, Mr Pizem is the founder of Australian based company, Lunna Ventures. Lunna Ventures assists in the launching of start-up businesses in a variety of industries, ranging from healthcare to finance. Lunna assists Company's through all stages of the business's development, cycle from the initial idea phase through to branding, partnerships and funding.

Prior to founding his two businesses, Mr Pizem worked as a Channel Partner for Australia's DX Solutions, an ICT solutions and delivery service provider. DX specialties in automation, performance requirements, security and penetration testing, DevOps and Cloud solutions, BI and Analysis and Network E2E and B2B capabilities.

Mr Pizem has over 15 years of experience in the tech industry, working to promote company growth, innovation, and driving new ideas and concepts. He has a strong background in software ventures, with a focus on marketing, operations and management.

Directors Recommendation

The Board (with Mr Pizem abstaining), recommends that shareholders vote in favour of the election of Mr Pizem. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Pizem's election.

Voting Exclusions

There are no voting exclusions on this Resolution.

Resolution 3: Election of Mr Robert Antulov as a Director of the Company

Background

Mr Robert Antulov was appointed as a Non-Executive Director on 23 November 2018 as a casual vacancy and is eligible for election, in accordance with the Company's Constitution.

Mr Antulov is a Partner at boutique Australian corporate advisory firm Jacanda Capital, where he provides advice to clients in the technology and media sectors on trade sales, acquisitions and equity growth capital raisings.

Based in Sydney, Mr Antulov is a highly accomplished Director with experience in public, private and not for profit enterprises, primarily in the tech and media sectors. He has extensive digital media expertise with strong capabilities in the implementation of technology-oriented growth strategies, most recently in digital media, programmatic advertising and online marketplaces. Rob also brings to engage:BDR specific M&A skills, having participated in over forty corporate transactions as either principal or advisor.

Previous corporate experience has included senior executive roles with Fairfax, Coca-Cola and Booz & Co (now PwC Strategy&). His entrepreneurial activity includes co-founding a sports digital media business, co-founding a number of ecommerce and SaaS businesses and providing mentoring and Advisory Board guidance to numerous entrepreneurs and their ventures.

Mr Antulov has a Bachelor of Engineering Degree (Elect) from the University of Western Australia, an MBA from the Australian Graduate School of Management at UNSW and has completed additional postgraduate studies in the USA at the Kellogg School of Management, North Western University.

Directors Recommendation

The Board (with Mr Antulov abstaining), recommends that shareholders vote in favour of the election of Mr Antulov. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Antulov's election.

Voting Exclusions

There are no voting exclusions on this Resolution

Resolution 4: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 589,300 fully paid ordinary shares at a deemed issue price of \$0.051 (5.1 cents) per share to StockOnline Pty Ltd to satisfy fees for investor relations services provided to the Company. The Appendix 3B relating to the issue was announced to ASX on 28 February 2019.

The 589,300 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 589,300;
- (b) the shares were issued at a deemed issue price of \$0.051 (5.1 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to StockOnline Pty Ltd who is not a related party of the Company;
- (e) there were no funds raised from this issue. The shares were issued to satisfy fees in connection with investor relations services provided by StockOnline Pty Ltd to the Company;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 4.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 5: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 2,000,000 fully paid ordinary shares at a deemed issue price of \$0.022 (2.2 cents) per share to S3 Consortium Pty Ltd to satisfy fees for investor relations services provided to the Company. The Appendix 3B relating to the issue was announced to ASX on 28 February 2019.

The 2,000,000 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 2,000,000;
- (b) the shares were issued at a deemed issue price of \$0.022 (2.2 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to S3 Consortium Pty Ltd who is not a related party of the Company;
- (e) there were no funds raised from this issue. The shares were issued to satisfy fees in connection with investor relations services provided by S3 Consortium Pty Ltd to the Company;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 5.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 6: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 18,607,945 fully paid ordinary shares at an issue price of \$0.021 (2.1 cents) per share to settle outstanding creditor balances. The Appendix 3B relating to the issue was announced to ASX on 28 February 2019.

The 18,607,945 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 18,607,945;
- (b) the shares were issued at a deemed issue price of \$0.021 (2.1 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued under arrangements with Viriathus Limited (or its nominee) to satisfy various creditors of the Company who were non-related parties;
- (e) there were no funds raised from this issue. The shares were issued to satisfy outstanding creditor balances;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 6.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 7: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 137,405 fully paid ordinary shares at a deemed issue price of \$0.22 (22 cents) per share to the shareholders (**AdCel Vendors**) of AdCel Inc (**AdCel**) as part consideration for the acquisition by the Company of all the issued share capital of AdCel as announced to ASX on 30 July 2018. No AdCel Vendor is related to the Company. The Appendix 3B relating to the issue was announced to ASX on 8 March 2019.

The 137,405 shares issued to the AdCel Vendors represent the final portion of the consideration payable by the Company for the acquisition of all the issued share capital of AdCel.

The 137,405 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 137,405;
- (b) the shares were issued at a deemed issue price of \$0.022 (2.2 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued to AdCel Vendors who are not related parties of the Company;
- (e) there were no funds raised from the issue. The shares were issued as part consideration for the acquisition by the Company of all the issued share capital of AdCel;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 7.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 8: Ratification of Prior Issue of Listed Options

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 4,000,000 Listed Options to Sanlam Private Wealth (or its nominee) for corporate advisory services provided to the Company. The Appendix 3B relating to the issue was announced to ASX on 8 March 2019.

The Listed Options have an exercise price of \$0.25 (25 cents), expiry date of 14 December 2020 and, upon exercise, entitle the holder to one fully paid ordinary share in the Company.

The 4,000,000 Listed Options were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of Listed Options in the Company that were issued was 4,000,000;
- (b) the Listed Options were issued at a Nil issue price;
- (c) the Listed Options allotted and issued are Listed Options which have the same terms and rights as, and ranking equally with, the Company's existing Listed Options;
- (d) the Listed Options were allotted and issued to Sanlam Private Wealth (or its nominee);
- (e) there were no funds raised from this issue. Listed Options were issued in connection with corporate advisory services provided by Sanlam Wealth Private to the Company. Funds raised upon exercise of Listed Options (if any) will be applied to meeting the working capital requirements of the Company at the time of exercise;
- (f) a voting exclusion statement is included in the Notice.
- (g) Refer to Annexure 1 for key terms of the listed options.

Board Recommendation

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

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 9: Ratification of Prior Issue of Shares

The Company is seeking Shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue of 12,467,980 fully paid ordinary shares at an issue price of \$0.031 (3.1 cents) per share to settle outstanding Creditors of the Company. The Appendix 3B relating to the issue was announced to ASX on 18 March 2019.

The 12,467,980 fully paid ordinary shares were issued without shareholder approval under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1.

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of the twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and/or Listing Rule 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 or 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A (if applicable). The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued was 12,467,980;
- (b) the shares were issued at a deemed issue price of \$0.031 (0.31 cents) per share;
- (c) the shares allotted and issued are fully paid ordinary shares which have the same terms and rights as, and ranking equally with, the Company's existing shares;
- (d) the shares were allotted and issued under arrangements with Viriathus Limited or its nominee to satisfy various creditors of the Company who were non-related parties;
- (e) there were no funds raised from this issue. The shares were issued to satisfy outstanding creditor balances;
- (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 9.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 10: Approval to issue Fully Paid Ordinary Shares

Resolution 10 seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 100,000,000 fully paid ordinary Shares at an issue price to be determined following the Meeting but not less than 80% of the VWAP of the Company's ordinary Shares for the 5 days on which trades are recorded prior to the issue date.

The Shares the subject of this Resolution 10 may be issued in response to interest received in respect of investment in the Company's securities. The recipients of these Shares are not known as at the date of the Meeting however it is anticipated they will be a mix of existing shareholders and new investors, each of whom will be unrelated to the Company and will not require disclosure under Chapter 6D of the Corporations Act.

If shareholders approve this Resolution 10, the Company will have the flexibility to issue these Shares without using its existing placement capacity. Receipt of shareholder approval does not, however, mean the Company will issue all or any of these Shares, and the decision to issue Shares remains with the Board.

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 months period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 months period. One circumstance where an action or an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting. The effect of Resolution 10 will therefore be to allow the Company to issue fully paid ordinary shares without using the Company's 15% annual placement capacity.

Listing Rule 7.3 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.1:

- (a) the maximum number of Shares that may be issued is 100,000,000;
- (b) the Shares are proposed to be issued within 3 months of the date of the Meeting. Any shares issued more than 3 months after the date of the Meeting will be issued without Shareholder approval and will use the Company's existing placement capacity. The Company may seek further shareholder approval to issue the Shares the subject of this Resolution 10 in the event such Shares are not issued within 3 months of this Meeting;
- (c) the issue price of Shares will be not less than 80% of the VWAP of the Company's ordinary Shares for the 5 days on which trades are recorded prior to the issue date;
- (d) the Shares are anticipated to be issued to a mix of existing shareholders and new investors, each of whom will be unrelated to the Company and will not require disclosure under Chapter 6D of the Corporations Act;
- (e) the Shares will have the same terms as, and rank equally with, the Company's existing fully paid ordinary shares;

- (f) the funds raised from issue will be used for general working capital purposes; and
- (g) A voting exclusion statement is included in the Notice.

Board Recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 10.

Voting Exclusions

Refer to Note 6 for voting exclusions.

Resolution 11: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 11 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 11, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

Resolution 11 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities, being Shares and Listed Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 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 shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

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

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days 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 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 11 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 11 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days 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 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 11 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Listed Options, only if the Listed Options are exercised). Shareholders may be exposed to economic risk and voting dilution, including the following:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 24 April 2019 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable 'A' in Listing Rule 7.1A.2 | | Issue Price | | |
|--|----------------------------|--|-----------------------------------|---|
| | | \$0.021 50% decrease in Current Share Price | \$0.042 Current Share Price | \$0.084 100% increase in Current Share Price |
| Current Variable A 486,354,115 Shares | 10% Voting Dilution | 48,635,412 Shares | | |
| | Funds raised | \$1,021,344 | \$2,042,687 | \$4,085,375 |
| 50% increase in current Variable A 729,531,173 Shares | 10% Voting Dilution | 72,953,117 Shares | | |
| | Funds raised | \$1,532,015 | \$3,064,031 | \$6,128,062 |
| 100% increase in current Variable A 972,708,230 Shares | 10% Voting Dilution | 97,270,823 Shares | | |
| | Funds raised | \$2,042,687 | \$4,085,375 | \$8,170,749 |

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Listed Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- 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%.
- 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 Facility, based on that Shareholder's holding at the date of the Annual General Meeting.

- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The Current Share Price is **\$0.042** (4.2 cents), being the closing price of the Shares on ASX on **24 April 2019**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 11 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued expenditure on the Company's current businesses and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

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

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new businesses, assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new businesses, assets or investments.

- (f) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

Equity Issues over the Last 12 Months – Listing Rule 7.3A.6

The table below shows the total number of equity securities issued in the past 12 months preceding the date of the Annual General Meeting and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12-month period.

| | |
|--|-------------|
| Number of equity securities on issue at commencement of 12 month period | 279,699,851 |
| Equity securities issued in the prior 12 month period* | 237,908,536 |
| Percentage of equity issues represent of total number of equity securities on issue at commencement of 12 month period | 85.05% |

* For full details of the issues of equity securities made by the Company since the date of the last Annual General Meeting, see Appendix 1. Included in this Appendix is a summary of the amount of funds raised as a result of the capital raisings during the previous 12 month period.

Directors Recommendations

The Directors of the Company believe that Resolution 11 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

Refer to Note 6 for voting exclusions.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 11;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 11;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 31 December 2018;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEST**” means Australian Eastern Standard Time;

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means engage;BDR Limited ACN 621 160 585;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of engage:BDR Limited for the financial year ended 31 December 2018 and which is set out in the 2018 Annual Report;

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“**VWAP**” means volume weighted average price.

Annexure 1 - Terms of Issue of Listed Options

The Options described in these terms of issue ("Options") entitle the holder to subscribe for fully paid ordinary shares in the Company ("Shares") on the following terms and conditions.

- (a) The Options are exercisable at a price of \$0.25 (25 cents) ("Exercise Price") each at any time from the date of listing of the Options up to the expiry of the period ending 3 years after the date listing of the Options ("Option Exercise Period"). The Options expire at the end of the Option Exercise Period.
- (b) Each Option entitles the holder to subscribe for one fully paid ordinary Share.
- (c) The Company must give each Option holder a certificate or Holding Statement stating: (i) the number of Options issued to the Option holder; (ii) the exercise price of the Options; and (iii) the date of issue of the Options and the Option Expiry Period.
- (d) The Company will maintain a register of holders of Options in accordance with Section 168(1)(b) of the Corporations Act 2001 (Cth).
- (e) The Options will be listed Options and accordingly the Listing Rules of the ASX ("Listing Rules") will apply.
- (f) Options do not carry any dividend entitlement until they are exercised. Subject to the Constitution and any applicable escrow arrangements, Shares issued on the exercise of Options rank equally with other issued Shares from the date they are issued by the Company.
- (g) An Option holder is not entitled to participate in any new issue of securities to existing Shareholders unless the Option holder has exercised its Options before the record date for determining entitlements to the new issue of securities and participates as a result of holding Shares.
- (h) The Company must give each Option holder, in accordance with the Listing Rules, notice of:
 - (i) the proposed terms of the issue or offer proposed under paragraph (g); and (ii) the right to exercise the Option holder's Options under paragraph (g). (i) If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for determining entitlements to the issue, in accordance with the Listing Rules.
 - (j) If the Company makes a pro rata issue of Shares (except a bonus issue) to existing Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, the exercise price of each Option is reduced in accordance with the Listing Rules.
 - (k) If there is a re-organisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option holder (including the number of Options to which each option holder is entitled and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation.
 - (l) Any calculations or adjustments which are required to be made under the Option terms of issue will be made by the board of directors of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
- (m) The Company must within a reasonable period give to each Option holder notice of any change under paragraphs (i) to (k) (inclusive) to the exercise price of any Options held by an Option holder or the number of Shares for which the Option holder is entitled to subscribe on exercise of an Option.
- (n) When exercising Options, an Option holder must give the Company or its share registry a completed Option Exercise Form (to be obtained from the Company or its share registry), and effect payment of the Exercise Price by paying to the Company, in immediately available funds, an amount equal to the Exercise Price multiplied by the number of Options being exercised.
- (o) The Options are exercisable on any business day during the Option Exercise Period. An Option Holder may only exercise options in multiples of 1,000 unless the Option Holder Exercises all of its Options.
- (p) If an Option holder exercises less than the total number of Options the Company must cancel the Option Certificate (if any) and issue the Option holder a new certificate or holding statement for the remaining number of Options held by the Option holder.
- (q) Options will be deemed to be exercised on the date that the Option Exercise Form is received by the Company in accordance with paragraphs (n) and (o) and (if applicable) cleared funds are received by the Company. The Company will within 10 days after receipt of such form and cleared funds issue shares in respect of the Options exercised and cause a holding statement to be issued and dispatched to the Holder.
- (r) If applicable, the Company will apply to ASX for official quotation of the Shares issued on exercise of the Options.
- (s) The Company will advise Option holders at least 20 Business Days before the impending expiry of their Options and will advise the due date for payment, the amount of money payable on exercise, the consequences of non-payment and such other details as the Listing Rules then prescribe, so as to enable holders to determine whether or not to exercise their Options during the Option Exercise Period.
- (t) These Option terms of issue and the rights and obligations of Option holders are governed by the laws of Victoria. Each Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria.

Appendix 1

CASH ISSUES

| Date | Number of Securities | Security Type | Terms | Description | Party or Basis | Price | Discount | Total Consideration | Use of Consideration |
|------------|----------------------|---------------|--------|--|--|--|--|--|---|
| 10/05/2018 | 12,500,000 | FPO | FPO | Capital Raise | Professional and sophisticated investors | \$0.16 | Premium of 10.34% (market price of \$0.145) | \$2,000,000 | On-going working capital Spent: \$2,000,000 Remaining: \$0 |
| 15/06/2018 | 1,290,625 | FPO | FPO | Issue of Shares in accordance with SPP | Professional and sophisticated investors | \$0.16 | Premium of 18.52% (market price of \$0.135) | \$206,500 | On-going working capital Spent: \$206,500 Remaining: \$0 |
| 31/08/2018 | 3,750 | FPO | FPO | Issue of Shares in accordance with SPP | Professional and sophisticated investors | \$0.16 | Premium of 105% (market price of \$0.078) | \$600 | On-going working capital Spent: \$600 Remaining: \$0 |
| 25/01/2019 | 25,099,423 | FPO | FPO | Capital Raise | Professional and sophisticated investors | \$0.028 | Discount of 35.71% (market price of \$0.038) | \$702,784 | On-going working capital Spent: \$702,784 Remaining: \$0 |
| 30/01/2019 | 625,000 | UCN | Note 2 | Unlisted Convertible Notes | CST Investment Fund | USD0.90 (A\$ at an exchange rate of A\$1 = USD\$0.7166) | N/A | USD\$652,500(A\$900,776 at an exchange rate of A\$1 = USD\$0.7166) | On-going working capital Spent: A\$900,776 Remaining: \$0 |
| 2/04/2019 | 800,000 | UCN | Note 2 | Unlisted Convertible Notes | CST Investment Fund | USD0.90 (A\$979,804 at an exchange rate of A\$1 = USD\$0.7093) | N/A | USD\$695,000(A\$979,804 at an exchange rate of A\$1 = USD\$0.7093) | On-going working capital Spent: A\$979,804 Remaining: \$0 |
| 8/04/2019 | 800,000 | UCN | Note 2 | Unlisted Convertible Notes | CST Investment Fund | USD0.90 (A\$924,291 at an exchange rate of A\$1 = USD\$0.7093) | N/A | USD\$655,600(A\$924,291 at an exchange rate of A\$1 = USD\$0.7093) | On-going working capital Spent: A\$205,070 Remaining: A\$719,221 |

NON-CASH ISSUES

| Date | Number of Securities | Security Type | Terms | Description | Party or Basis | Price | Discount | Total Consideration | Use of Consideration |
|------------|----------------------|---------------|--------|--|---|------------------------------|---|--|---|
| 10/05/2018 | 2,250,000 | FPO | FPO | Issue of shares to Corporate Advisory consultants | Corporate Advisory consultants of the Company | Deemed issue price of \$0.16 | Premium of 10.34% (market price of \$0.145) | Value of shares based on market price of \$0.16 is \$360,000 | Non-cash, issued as Consideration Shares. |
| 15/06/2018 | 484,539 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.16 | Premium of 18.52% (market price of \$0.135) | N/A | N/A |
| 31/08/2018 | 4,548,498 | FPO | FPO | AdCel LLC acquisition | AdCel Vendors | Deemed issue price \$0.22 | Premium of 182% (market price of \$0.078) | Value of shares based on market price of \$0.078 is \$354,783 | Non-cash, issued as Consideration Shares. |
| 31/08/2018 | 6,523,453 | FPO | Note 1 | AdCel LLC acquisition | AdCel Vendors | Deemed issue price \$0.22 | Premium of 182% (market price of \$0.078) | Value of shares based on market price of \$0.078 is \$508,829 | Non-cash, issued as Consideration Shares. |
| 12/09/2018 | 5,458,200 | FPO | FPO | Issue to new Executive in accordance with Employment Agreement | Executives of the Company | Deemed issue price \$0.075 | Premium of 17.12% (market price of \$0.064) | Value of shares based on market price of \$0.064 is \$349,325. | N/A |

| | | | | | | | | | |
|------------|------------|-----|--------|--|--------------------------------------|----------------------------|--|--|---|
| 30/11/2018 | 3,100,000 | FPO | FPO | Issued in relation to Agreement with CST Investment Fund | CST Investment Fund | Deemed issue price \$0.047 | Premium of 2.17% (market price of \$0.046) | Value of shares based on market price of \$0.047 is \$145,700. | N/A |
| 30/01/2019 | 1,900,000 | FPO | FPO | Funding arrangement with CST Investment Fund | CST Investment Fund | Deemed issue price \$0.06 | Premium of 100% (market price of \$0.03) | Value of shares based on market price of \$0.03 is \$93,000. | N/A |
| 30/01/2019 | 8,676,093 | UO | Note 3 | Unlisted Options | CST Investment Fund | Nil | N/A | Deemed value of options issued: \$186,102 | N/A |
| 30/01/2019 | 13,471,396 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.011 | Discount of 172.73% (market price of \$0.03) | N/A | N/A |
| 05/02/2019 | 9,028,597 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.013 | Discount of 69.23% (market price of \$0.022) | N/A | N/A |
| 18/02/2019 | 7,498,236 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.018 | Discount of 27.78% (market price of \$0.023) | N/A | N/A |
| 28/02/2019 | 589,300 | FPO | FPO | In lieu of Consulting fees | Investor relations consultant | Deemed issue price \$0.051 | Premium of 143% (market price of \$0.0.03) | Value of shares based on deemed price of \$0.051 is \$30,054. | Non-cash, issued in lieu of cash for services rendered. |
| 28/02/2019 | 909,091 | FPO | Note 4 | In lieu of Consulting fees | Investor relations consultant | Deemed issue price \$0.022 | Premium of 4.76% (market price of \$0.021) | Value of shares based on deemed price of \$0.022 is \$20,000. | N/A |
| 28/02/2019 | 1,090,909 | FPO | FPO | In lieu of Consulting fees | Investor relations consultant | Deemed issue price \$0.022 | Premium of 4.76% (market price of \$0.021) | Value of shares based on deemed price of \$0.022 is \$24,000. | N/A |
| 28/02/2019 | 18,607,945 | FPO | FPO | Settlement of outstanding creditors | Creditors | \$0.021 | Nil | Value of shares based on market price of \$0.021 is \$390,767 | Funds applied to settlement of outstanding creditor balances. |
| 08/03/2019 | 4,000,000 | LO | Note 5 | Consideration for capital raising services rendered to the Company | Corporate Advisor | Nil | N/A | Value of options based on market price of \$0.005 is \$20,000. | N/A |
| 08/03/2019 | 10,657,140 | FPO | FPO | AdCel LLC acquisition | AdCel Vendors | Deemed issue price \$0.22 | Premium of 1,057.89% (market price of \$0.019) | Value of shares based on market price of \$0.019 is \$202,486 | Non-cash, issued as Consideration Shares. |
| 18/03/2019 | 12,467,980 | FPO | FPO | Settlement of outstanding creditor balances | For payment of non-related creditors | Deemed issue price \$0.031 | Nil | Value of shares based on market price of \$0.031 is \$386,507 | Funds applied to settlement of outstanding creditor balances. |
| 18/03/2019 | 11,347,597 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.015 | Discount of 106.67% (market price of \$0.031) | N/A | N/A |
| 20/03/2019 | 17,719,531 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.015 | Discount of 93.33% (market price of \$0.029) | N/A | N/A |
| 02/04/2019 | 3,300,034 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.015 | Discount of 173.33% (market price of \$0.041) | N/A | N/A |
| 02/04/2019 | 10,889,034 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.031 | Discount of 32.26% (market price of \$0.041) | N/A | N/A |
| 02/04/2019 | 14,959,756 | FPO | FPO | Settlement of outstanding creditors | Creditors | Deemed issue price \$0.041 | Nil | Value of shares based on market price of \$0.041 is \$613,350 | Funds applied to settlement of outstanding creditor balances. |

| | | | | | | | | | |
|------------|------------|-----|-----|--|---------------------------|----------------------------|--|--|-----|
| 05/04/2019 | 13,220,706 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.034 | Discount of 32.35% (market price of \$0.045) | N/A | N/A |
| 08/04/2019 | 749,810 | FPO | FPO | Issue to new Executive in accordance with Employment Agreement | Executives of the Company | Deemed issue price \$0.047 | Nil | Value of shares based on deemed price of \$0.047 is \$35,241. | N/A |
| 18/04/2019 | 7,504,000 | FPO | FPO | Conversion of Convertible Notes | Existing Holder | Deemed issue price \$0.039 | Discount of 25.64% (market price of \$0.049) | N/A | N/A |
| 18/04/2019 | 1,136,945 | FPO | FPO | Issue to new Executive in accordance with Employment Agreement | Executives of the Company | Deemed issue price \$0.049 | Nil | Value of shares based on deemed price of \$0.049 is \$55,710. | N/A |
| 18/04/2019 | 15,602,041 | FPO | FPO | Settlement of outstanding creditors | Creditors | Deemed issue price \$0.049 | Nil | Value of shares based on deemed price of \$0.049 is \$764,500. | N/A |

Glossary

| | |
|-----|----------------------------|
| FPO | Fully Paid Ordinary Shares |
| UCN | Unlisted Convertible Notes |
| LO | Listed Options |

Notes

Note 1 Escrowed for 6 months from the date of Issue


Issued at USD\$0.90 per Note with a face value of USD\$1.00 per Note. Notes are secured with a Maturity date of 19 November 2019. The Notes are convertible at the lesser of \$0.09 converted into USD using the Exchange Rate as at the Purchase Date and \$0.09 (9 cents) per share or, if at any time the daily VWAP for the Company's shares is less than \$0.035, the lower of: - The lesser of \$0.09 converted into USD using the Exchange Rate as at the Purchase Date \$0.09 (9 cents); or - 92% of the lowest daily VWAP during the 10 days prior to notice of conversion being given.


Note 3 Unlisted Options, exercisable at \$0.052, expiring 29 January 2022

Note 4 Escrowed for 3 months from the date of issue

Note 5 Listed Options exercisable at \$0.25 (25 cents) per option by 22 December 2020

Lodge your vote:

 **Online:**
www.investorvote.com.au

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

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

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

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

EN1

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



Proxy Form

XX



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

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

 **For your vote to be effective it must be received by 3.00pm (AEST) on Wednesday, 29 May 2019**

How to Vote on Items of Business

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

Appointment of Proxy

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

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

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

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

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

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

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

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

Attending the Meeting

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

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

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

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

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



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf XX

I/We being a member/s of engage:BDR Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of engage:BDR Limited to be held at the Institute of Chartered Accountants Australia and New Zealand, Level 18 Bourke Place, 600 Bourke Street, Melbourne, Victoria on Friday 31 May 2019 at 3.00pm (AEST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

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

| | | For | Against | Abstain |
|---------------|--|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Election of Mr Darian Pizem as a Director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Election of Mr Robert Antulov as a Director of the Company | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Ratification of Prior Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Ratification of Prior Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Ratification of Prior Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 7 | Ratification of Prior Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 8 | Ratification of Prior Issue of Listed Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 9 | Ratification of Prior Issue of Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 10 | Approval to issue Fully Paid Ordinary Shares | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 11 | Approval of 10% Placement Facility | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

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

| | | |
|---|---|---|
| Individual or Securityholder 1 | Securityholder 2 | Securityholder 3 |
| <input style="width: 100%; height: 100%;" type="text"/> | <input style="width: 100%; height: 100%;" type="text"/> | <input style="width: 100%; height: 100%;" type="text"/> |
| Sole Director and Sole Company Secretary | Director | Director/Company Secretary |

Contact Name _____ Contact Daytime Telephone _____ Date ____/____/____