



XREF LIMITED

ABN 34 122 404 666

NOTICE OF 2017 ANNUAL GENERAL MEETING

EXPLANATORY NOTES

PROXY FORM

Date of Meeting

20 November 2017

Time of Meeting

4:30pm (AEDT)

Place of Meeting

Xref Limited's office
at Suite 17, Level 3, 13 Hickson Road, Dawes Point, Sydney

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.

NOTICE OF 2017 ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (AGM) of the shareholders of Xref Limited (Xref or the Company) will be held at 4:30pm (AEDT) on 20 November 2017 at the Company's office at Suite 17, Level 3, 13 Hickson Road, Dawes Point, Sydney.

ORDINARY BUSINESS

1. To Consider the Financial Report

To consider the Reports of the Directors and the Auditor, and the Financial Statements of Xref, for the year ended 30 June 2017.

Note: this item of business is for discussion only and is not a Resolution. However, Shareholders will be given a reasonable opportunity at the AGM to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

2. Resolution 1 To Elect a Director – Mr Timothy Griffiths

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

That, for the purposes of Article 10.2 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Timothy Griffiths, who retires by rotation as a Director and, being eligible, offers himself for re-election, be elected a Director of Xref.

3. Resolution 2 To Adopt the Remuneration Report

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

That the Company's Remuneration Report for the financial year ended 30 June 2017, as set out in the Directors' Report in the Xref 2017 Annual Report, be adopted.

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

SPECIAL BUSINESS

4. Resolution 3 To Ratify the Previous Issue of 663,109 Shares under the Placement
To consider and, if thought fit, to pass the following Resolution as an **ordinary** resolution:

That, for the purposes of ASX Listing Rules 7.1 and 7.4, and for all other purposes, the issue by way of the placement of 663,109 fully paid ordinary shares in the capital of Xref, at A\$0.60 per share, which raised A\$397,865, as detailed in the ASX announcement dated 8 August 2017, and as set out in the attached Explanatory Notes, be hereby approved.

5. Resolution 4 To Approve a 10% Placement Facility

To consider and, if thought fit, to pass the following Resolution as a **Special** Resolution:

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

6. To transact any other business brought forward in accordance with Xref's Constitution.
Further information in relation to the matters to be considered at the AGM is set out in the attached Explanatory Notes.

NOTES

1. Explanatory Notes

The Explanatory Notes accompanying this Notice of AGM are incorporated in, and comprise part of, this Notice of AGM and should be read in conjunction with it. Shareholders should specifically refer to the Glossary in the Explanatory Notes, which contains definitions of capitalised terms used in both this Notice of AGM and the Explanatory Notes.

2. Voting Exclusion Statements

Resolution 2

The Company will disregard any votes cast (in any capacity) on Resolution 2 by, or on behalf of, any person who is a member of Xref's key management personnel (KMP) or a closely-related party of any member of KMP. However, the Company need not disregard any 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 if it is cast by the person chairing the AGM as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form to vote as the proxy decides. The prohibition on members of Xref's KMP voting does not apply to the Chairman of the AGM as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the AGM to vote.

Resolution 3

In respect of Resolution 3, the Company will disregard any votes cast on this Resolution by any person who participated in the issue of 663,109 fully paid ordinary shares in Xref and any associates of those persons. However, the Company need not disregard any vote by any such persons if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or if it is cast by the person who is chairing the AGM 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 4

Xref will disregard any votes cast on Resolution 4 by any person (and any associates of such a person) who may participate in the 10% Placement Facility and any person (and any associates of such a person) who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if Resolution 4 is passed. However, the Company need not disregard any vote by any such persons if it is cast by any of them as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or if it is cast by the person who is chairing the AGM 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.

3. Proxies

A Shareholder entitled to attend this Meeting and vote is entitled to appoint a proxy to attend and vote for the Shareholder at the Meeting. A proxy need not be a Shareholder. If the Shareholder is entitled to cast two or more votes at the Meeting the Shareholder may appoint two proxies and specify the proportion or number of votes that each proxy is appointed to exercise. A Proxy Form accompanies this Notice of AGM. To record a valid vote, a Shareholder will need to complete and lodge the Proxy Form as follows:

- (a) by post to –
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia; or
- (b) by facsimile (within Australia) to 1800 783 447; or
- (c) by facsimile (outside Australia) to +61 3 9473 2555; or
- (d) online at www.investorvote.com.au.

Proxy Forms must be lodged not less than 48 hours prior to the start of the Meeting in order to be valid.

4. Quorum

Xref's Constitution provides that five registered Company shareholders present personally, or by representative, attorney or proxy, shall be a quorum for a general meeting of Xref.

5. Corporate Representative

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

6. Questions on the Notice of Meeting

Should you wish to discuss the matters in this Notice of AGM, please do not hesitate to contact the Company Secretary.

EXPLANATORY NOTES

These Explanatory Notes set out information in connection with the business to be considered at the 2017 Xref Limited Annual General Meeting (AGM) and form part of the Notice of AGM of the Shareholders to be held on 20 November 2017. The Explanatory Notes aim to assist Shareholders in understanding the background to, and the legal and other implications of, the Notice of AGM, and the reasons for the Resolutions proposed. Other than the information set out in these Explanatory Notes, the Directors believe that there is no other information that could reasonably be required by Shareholders in order to consider Resolutions 1 to 4.

ORDINARY BUSINESS

The following items of ordinary business will be considered at the AGM.

To Consider the Financial Report

This item of business relates to the consideration of the Company's Financial Statements, and the Reports of the Directors and the Auditor, for the year ended 30 June 2017, and gives the Shareholders the opportunity to ask questions or to make comments concerning the Financial Report during the AGM. Shareholders who elected to do so will have received a printed or email version of Xref's 2017 Annual Report. A copy is available on the ASX website and on the Company's website at www.xref.com/en/investor-centre, and may also be requested from the Company Secretary. There is no requirement for a formal resolution on this item.

General Explanatory Notes Applying to Resolution 1

Xref undertakes appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director and provides security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director. These include checks as to the person's character, experience, education, criminal record and bankruptcy history. Candidates for appointment or election as Non-Executive Directors provide the Board with the information mentioned in these General Explanatory Notes, as well as Consents for the Company to conduct any background or other checks Xref would ordinarily conduct. Candidates also provide details of their other commitments and an indication of time involved, and specifically acknowledge to the Company that they will have sufficient time to fulfil their responsibilities as Directors. A candidate for election as a Director of Xref discloses to the Company all interests, positions, associations and relationships that may bear on his or her independence.

There was no material adverse information revealed by the checks Xref performed about the Director standing for re-election as a Director for this AGM, being Executive Director Mr Timothy Griffiths. There were no details of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring independent judgement to bear on issues before the Board, and to act in the best interests of the Company and its security holders generally.

Article 10.1 of Xref's Constitution allows the Directors to appoint, at any time, a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not, at any time, exceed the maximum number specified by its Constitution and by the corporations legislation. Article 10.2 of the Company's Constitution provides that any Director appointed in accordance with Article 10.1 must retire at the next AGM and may seek re-election. In addition, Article 10.2 requires that a Director must retire from office no later than the longer of the third annual general meeting of Xref or three years, following that Director's last election or appointment, or if no Director would otherwise be required to retire pursuant to clause 10.2(a), but the ASX Listing Rules require that an election of Directors be held at an annual general meeting, then the Director who has held office as Director the longest period of time since his or her last election or appointment to that office shall retire, and may seek re-election. Accordingly, Mr Timothy Griffiths will resign as a Director at this

AGM by rotation, and, being eligible, seek approval to be re-elected as a Director. Article 10.3 of the Company's Constitution provides that Xref's Managing Director, being Mr Lee-Martin Seymour, is not required to retire at the AGM.

Resolution 1 To Elect a Director – Mr Timothy Griffiths

Mr Timothy Griffiths was appointed as an Executive Director (Chief Technology Officer) of the Company on 18 January 2016 and, in being an executive and a substantial shareholder of Xref, is not considered by the Board to qualify as an independent Director. The term of office currently served by him is one year and ten months at the date of this Notice of AGM.

Mr Timothy Griffiths is a co-founder of Xref (AU) Pty Ltd (former name Xref Pty Ltd). He is an MBA-qualified technologist, and has over 20 years' experience in technology, advising companies, including Virgin and SkyTV in the UK. Mr Timothy Griffiths worked for Benchmark Capital providing technical diligence for high tech start-up investment and was co-founder of the media company a2a plc, which floated on the UK stock market. More recently, he was the CIO for Jcurve Solutions, an Australian cloud NetSuite ERP provider, and is the founder of Answer42, a Sydney and London-based cloud consultancy.

Mr Timothy Griffiths is not currently, and has not within the last three years been, a Director of any other public listed company.

Directors' Recommendation: The Directors (except Mr Griffiths) support the election of Mr Timothy Griffiths and recommend that Shareholders vote in favour of Resolution 1.

Resolution 2 To Adopt the Remuneration Report

The Corporations Act requires that a resolution be put to the Company's shareholders to adopt the Remuneration Report for the year ended 30 June 2017, as disclosed in the Directors' Report in Xref's 2017 Annual Report. The vote on this Resolution is advisory only and non-binding. The Resolution gives the members the opportunity to ask questions or make comments concerning the Remuneration Report during the AGM. Under the Corporations Act, if 25% or more of votes that are cast vote against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs 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. Xref encourages all Shareholders to cast their votes on Resolution 2. In accordance with Section 250R(4) of the Corporations Act, the Company will disregard any votes cast on Resolution 2 by any member of Xref's key management personnel (KMP) whose remuneration details are included in the Remuneration Report of its 2017 Annual Report, or any closely-related parties of such a member, unless the vote is cast:

- (a) as a proxy for a person entitled to vote in accordance with a direction on the Proxy Form; or
- (b) by the Chairman of the AGM as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

KMP of the Company are the Directors of Xref, and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies Xref's KMP for the financial year ended 30 June 2017. The KMP's closely-related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control. If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolution 2 by marking either "For", "Against" or "Abstain" on the Proxy Form for that item of business.

Directors' Recommendation: The Directors recommends that Shareholders vote in favour of Resolution 2.

SPECIAL BUSINESS

The following items of special business will be considered at the AGM.

Resolution 3 To Ratify the Previous Issue of 663,109 Shares under the Placement

Resolution 3 proposes the approval of the issue and allotment of the placement of 663,109 fully paid ordinary shares in the capital of the Company, the issue of which was announced to ASX by Xref on 8 August 2017 pursuant to ASX Listing Rule 7.1, which allows the Board to issue up to 15% of the Company's issued capital in any 12-month period without approval of the Shareholders.

ASX Listing Rule 7.4 provides that an issue that is approved after it has been made is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1. The effect of the approval is to allow the Board of Xref to issue additional securities within the 15% limit under ASX Listing Rule 7.1 immediately after the Resolution is adopted instead of having to wait until 8 August 2018 (which would be 12 months after the placement was made).

As announced to ASX on 8 August 2017, the Company issued 12,500,000 Shares to Australian institutions and sophisticated investors, at an issue price of A\$0.60, to raise \$7,500,000 before costs. Of these 12,500,000 shares, 663,109 shares were issued under ASX Listing Rule 7.1 and 11,836,891 shares were issued under ASX Listing Rule 7.1A (refer to Resolution 4).

The placement was made to existing and new Australian institutional investors and was managed by Bell Potter Securities. The issue raised A\$7,500,000 to provide working capital for Xref for marketing to accelerate expansion in key international markets and co-promotional activities with channel partners to increase sales; was for the further development of integrations with applicant tracking systems and other human resources platforms, which provide a valuable marketing channel for the Company; for initiatives to educate global partner teams and leverage integrations, which provide enterprises access to Xref's candidate referencing platform, enabling the rapid digital on-boarding of new clients; to pay transaction costs; and to use the remaining proceeds for general corporate purposes. The Shares issued rank equally in all respects with existing Shares in the Company.

Directors' Recommendation: The Directors recommends that Shareholders vote in favour of Resolution 3.

Resolution 4 To Approve a 10% Placement Facility**General**

ASX Listing Rule 7.1A enables an eligible entity to issue Equity Securities of up to 10% of its issued ordinary share capital through placements over a 12-month period after its annual general meeting (10% Placement Facility). The 10% Placement Facility is in addition to the eligible entity's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity, for the purpose of ASX Listing Rule 7.1A, is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of A\$300 million or less. Xref is an eligible entity. The Company is now seeking Shareholder approval by way of a Special Resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section [Formula for Calculating 10% Placement Facility](#) below).

Description of ASX Listing Rule 7.1A**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.

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 in Xref. The Company, as at the date of this Notice of AGM, has on issue the following classes of Equity Securities:

- 66,175,869 fully paid ordinary shares quoted on ASX;
- 64,893,591 fully paid ordinary shares, not quoted on ASX, in escrow until 8 February 2018;
- 16,666,667 A Class Performance Rights, not quoted on ASX, in escrow until 8 February 2018;
- 16,666,666 C Class Performance Rights, not quoted on ASX, in escrow until 8 February 2018;
- 4,508,909 Options, not quoted on ASX, with an exercise price of A\$0.23 and an expiry date of 1 February 2019, in escrow until 8 February 2018;
- 5,400,000 Options, not quoted on ASX, with an exercise price of A\$0.70 and an expiry date of 25 November 2021;
- 2,500,000 Options, not quoted on ASX, with an exercise price of A\$0.70 and an expiry date of 25 November 2022; and
- 1,055,499 Options issued under the Employee Option Plan, not quoted on ASX, with an exercise price of A\$0.585 and an expiry date of 3 July 2021.

Formula for Calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities that have obtained shareholder approval at an annual general meeting may issue, or agree to issue, during the 10% Placement Period (refer to section 10% Placement Period below), a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

Where:

- A** is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:
- plus the number of fully paid ordinary shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
 - plus the number of partly paid ordinary shares that became fully paid ordinary shares in the 12 months;
 - plus the number of fully paid ordinary shares issued in the 12 months with approval of holders of ordinary shares under ASX Listing Rules 7.1 and 7.4;
 - less the number of fully paid ordinary shares cancelled in the 12 months.
- (Note that A has the same meaning as in ASX 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 ASX 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 ASX Listing Rules 7.1 or 7.4.

ASX Listing Rules 7.1 and 7.1A

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

At the date of this Notice of AGM, Xref has on issue 131,069,460 fully paid ordinary shares and therefore has a capacity to issue:

- (i) 19,660,419 Equity Securities under ASX Listing Rule 7.1; and
- (ii) subject to Shareholder approval being obtained under Resolution 4, 13,106,946 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have the capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section Formula for Calculating 10% Placement Facility above).

Minimum Issue Price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the volume-weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five Trading Days of the date referred to in section Minimum Issue Price (i) above, the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the AGM 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 AGM at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (10% Placement Period).

ASX Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period in addition to using Xref's 15% placement capacity under ASX Listing Rule 7.1. Resolution 4 is a Special Resolution and therefore requires approval of at least 75% of the votes cast by Shareholders entitled to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative) on the Resolution.

Specific Information Required by ASX Listing Rule 7.3A

Pursuant to, and in accordance with, ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows to the extent that such information is not disclosed elsewhere in these Explanatory Notes:

- (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 in the same class over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in section Specific Information Required by ASX Listing Rule 7.3A (a)(i) above, the date on which the Equity Securities are issued.
- (b) There is a risk that:
 - (i) the market price for Xref's Equity Securities in the same class may be significantly lower on the date of the issue of the Equity Securities than on the date of the 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 in the same class on the issue date, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the risk of voting dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable 'A' calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of AGM. The table also shows:

- two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary shares Xref has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares

that do not require Shareholder approval (for example, a pro rata entitlement issue) or future-specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		A\$0.2875 50% decrease in Issue Price	A\$0.575 Issue Price	A\$1.15 100% increase Issue Price
Current Variable A: 131,069,460 Shares	10% Voting Dilution	13,106,946 shares	13,106,946 shares	13,106,946 shares
	Funds Raised	A\$3,768,247	A\$7,536,494	A\$15,072,988
50% increase in current Variable A: 196,604,190 Shares	10% Voting Dilution	19,660,419 shares	19,660,419 shares	19,660,419 shares
	Funds Raised	A\$5,652,370	A\$11,304,741	A\$22,609,482
100% increase in current Variable A: 262,138,920 Shares	10% Voting Dilution	26,213,892 shares	26,213,892 shares	26,213,892 shares
	Funds Raised	A\$7,536,494	A\$15,072,988	A\$30,145,976

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 current Options 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 a placement under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting;
 - The table shows only the effect of the issue of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1 and no other issues of Equity Securities;
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares; and
 - The issue price is A\$0.575, being the closing price of the Shares on ASX on 6 October 2017.
- (c) Xref will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- non-cash consideration for the acquisition of new assets and investments. In such circumstances Xref will provide a valuation of the non-cash consideration as referred to in the Note to ASX Listing Rule 7.1A.3; or
 - cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such an acquisition), for continued development of the Xref business in Australia, the UK and in Canada, and for ongoing future working capital purposes.
- (e) The Company will comply with the disclosure obligations under ASX Listing Rules

7.1A.4 and 3.10.5A upon issue of any Equity Securities.

- (f) Xref'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 and the number of Equity Securities allotted to each allottee will be determined on a case-by-case basis having regard to 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, a rights issue or other issue in which the existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of Xref;
 - (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 of AGM, but may include existing substantial Shareholders and / or new shareholders who are not related parties or associates of a related party of Xref. Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments, or the nominee of such vendors.

- (g) Xref previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 25 November 2016 AGM, and issued 11,836,891 Shares under that approval.
- (h) The total number of Equity Securities issued in the 12 months preceding the date of this Meeting is 21,656,053, made up of 12,700,554 fully paid ordinary shares, and 8,955,499 Options. In addition, 16,666,667 B Class Performance Rights converted into ordinary shares on 10 March 2017, upon achievement of the relevant performance milestones. The issue of Shares, excluding those issued on conversion of Performance Rights, represents approximately 12.5% of the total fully paid ordinary shares and 8.1% of the fully diluted Equity Securities on issue at the commencement of the 12-month period prior to the date of this Notice of AGM. Details of these issues are:

Ordinary Shares

On 10 March 2017 the Company issued 16,666,667 fully paid ordinary shares upon the conversion of 16,666,667 B Class Performance Rights upon achievement of the relevant performance milestones.

On 10 May 2017 the Company issued 200,554 fully paid ordinary shares as consideration for the purchase of the domain name xref.com, at a price of \$0.507 per Share.

On 8 August 2017 the Company issued 12,000,000 fully paid ordinary shares in a placement at a price of \$0.60 per Share. The placement was made to existing and new institutional investors under ASX Listing Rule 7.1 for 663,109 shares and under ASX Listing Rule 7.1A for the balance of 11,836,891 shares. The lead manager for the placement was Bell Potter Securities. The issue raised \$7,500,000 to provide working capital for Xref to for marketing to accelerate expansion in key international markets and co-promotional activities with channel partners to increase sales; was for the further development of integrations with applicant tracking systems and other human resources platforms, which provide a valuable marketing channel for the Company; for initiatives to educate global partner teams and leverage integrations, which provide enterprises access to Xref's candidate referencing platform, enabling the rapid digital on-boarding of new clients; to pay transaction costs; and to use the remaining proceeds for general corporate purposes. Further details of the issue are set out under Resolution 3 above, wherein Shareholders are being asked to approve the placement under ASX Listing Rule 7.1.

Performance Rights

On 10 March 2017 the Company issued 16,666,667 fully paid ordinary shares upon the conversion of 16,666,667 B Class Performance Rights upon achievement of the relevant performance milestones.

Options

On 7 December 2016 the Company issued 7,900,000 Options to two of its Non-Executive Directors, as detailed in the Notice of AGM for the meeting held on 25 November 2016, which approved the issue of these Options. The Options were issued for no cash consideration to the Non-Executive Directors, Messrs Brad Rosser 7,000,000 options, of which 4,500,000 will expire if not exercised by on 25 November 2021, and 2,500,000 will expire if not exercised by on 25 November 2022, and to Nigel Heap 900,000 options, which will expire if not exercised by on 25 November 2021, as a key component of their remuneration by the Company. Each Option has an exercise price of \$0.70.

On 25 September 2017 the Company issued 1,055,499 Options under the Company's Employee Option Plan to eligible parties. The options were issued for no cash consideration to 52 of Xref's employees and five of its contractors, and have an exercise price of \$0.585, vest on 3 July 2018 and will expire if not exercised by 3 July 2021.

- (i) A Voting Exclusion Statement is included in this Notice of AGM. At the date of this Notice of AGM, 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 Shareholders' votes will therefore be excluded under the Voting Exclusion Statement in this Notice of AGM.

Directors' Recommendation: The Directors recommend that Shareholders vote in favour of Resolution 4. The Chairman intends to vote any undirected proxies in favour of Resolution 4.

GLOSSARY

AEDT means Australian Eastern Daylight Time.

Annual General Meeting or **AGM** or **Meeting** mean the annual general meeting convened by this Notice of AGM.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

Board means the board of Directors of the Company from time-to-time.

Chairman means the person chairing the Annual General Meeting.

Company means Xref Limited ABN 34 122 404 666.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Employee Option Plan means the Xref employee option plan approved by Shareholders at the Special Meeting held on 27 May 2016.

Equity Securities means a Share, a right to a Share or Option, a convertible security or any security that ASX decides to classify as an equity security.

Explanatory Notes means the explanatory notes accompanying this Notice of AGM.

Notice means this notice of Annual General Meeting, including the Explanatory Notes and the Proxy Form.

Option means an unlisted option in the Company to acquire Shares.

Proxy Form means the proxy form accompanying this Notice of AGM.

Resolution means the resolutions to be considered by Shareholders at this AGM.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Special Resolution means a resolution that requires approval of at least 75% of the votes cast by Shareholders present and eligible to vote at the Meeting (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

Xref means Xref Limited ABN 34 122 404 666.

Xref Limited (ASX:XF1)

ABN 34 122 404 666

Suite 17, Level 3, 13 Hickson Road, Dawes Point, Sydney NSW 2000 Australia
Website: xref.com

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

XF1

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 4:30pm (AEDT) Saturday 18 November 2017**

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

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Xref 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 Xref Limited to be held at the Company's office at Suite 17, Level 3, 13 Hickson Road, Dawes Point, Sydney on Monday, 20 November 2017 at 4:30pm (AEDT) 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 Item 2 (except where I/we have indicated a different voting intention below) even though Item 2 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 Item 2 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
1	To Elect a Director – Mr Timothy Griffiths	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	To Ratify the Previous Issue of 663,109 Shares under the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	To Approve a 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

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____ / ____ / ____