



**ICANDY INTERACTIVE LIMITED
ACN 604 871 712**

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at
Level 4, 91 William Street, Melbourne, VIC 3000, Australia on
22 May 2018 at 2pm**

The 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 accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (03) 8611 5353.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

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ICANDY INTERACTIVE LIMITED

ACN 604 871 712

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of iCandy Interactive Limited (**Company**) will be held at Level 4, 91 William Street, Melbourne, VIC 3000, Australia on 22 May 2018 at 2pm (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form comprise part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 2pm on 20 May 2018.

Terms and abbreviations used in the Notice are defined in Schedule 1.

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 31 December 2017, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 - Remuneration Report

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

"That the Remuneration Report be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairperson to exercise the proxy even if this Resolution is

connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 - Re-election of Director - Kin-Wai Lau

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

"That Kin-Wai Lau, who retires in accordance with Rule 18.2 of the Constitution and Listing Rule 14.4 and being eligible, offers himself for election, be elected as a Director."

4. Resolution 3 - Election of Director - Phillip Lord

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

"That Phillip Lord, who retires in accordance with Rule 18.10 of the Constitution and Listing Rule 14.4 and being eligible, offers himself for election, be elected as a Director."

5. Resolution 4 - Election of Director - Marcus Ungar

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

"That Marcus Ungar, who retires in accordance with Rule 18.10 of the Constitution and Listing Rule 14.4 and being eligible, offers himself for election, be elected as a Director."

6. Resolution 5 - Approval of 10% Placement Facility

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

"That in accordance with 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, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes in favour of this Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely as a holder of Shares), or any associate of that person (or those persons).

However, the Company 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 Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

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7. Resolution 6 - Approval of issue of Consideration Shares

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

"That pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of:

- (a) *25,000,000 Shares (Initial Consideration Shares); and*
- (b) *up to 18,750,000 Shares (Deferred Consideration Shares)*

to Animoca Brands Corporation Limited (or its nominees) as consideration for the sale of its mobile games business to the Company, on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Animoca Brands Corporation Limited or its nominees or their respective associates.

However, the Company 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 Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

8. Resolution 7 - Ratification of issue of Placement Securities

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

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of:

- (a) *20,500,000 Shares issued under Listing Rule 7.1A; and*
- (b) *20,500,000 Options exercisable at \$0.10 each on or before 9 October 2019, issued under Listing Rule 7.1,*

on the respective terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or their respective associates.

However, the Company need not disregard a vote if:

- (c) 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

- (d) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

9. Resolution 8 - Ratification of issue of Broker Options

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

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options exercisable at \$0.065 each on or before 9 October 2018, to CPS Capital Group Pty Ltd (or its nominees), on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of CPS Capital Group Pty Ltd or its nominees or their respective associates.

However, the Company 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 Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD



Jiahui Lan
Company Secretary
Dated: 17 April 2018

ICANDY INTERACTIVE LIMITED

ACN 604 871 712

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 4, 91 William Street, Melbourne, VIC 3000, Australia on 22 May 2018 at 2pm.

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 - Remuneration Report
Section 5:	Resolution 2 - Re-election of Director - Kin-Wai Lau
Section 6:	Resolution 3 - Election of Director - Phillip Lord
Section 7:	Resolution 4 - Election of Director - Marcus Ungar
Section 8:	Resolution 5 - Approval of 10% Placement Facility
Section 9:	Resolution 6 - Approval of issue of Consideration Shares
Section 10:	Resolution 7 - Ratification of issue of Placement Securities
Section 11:	Resolution 8 - Ratification of issue of Broker Options
Schedule 1:	Definitions
Schedule 2:	Issues of Equity Securities since 30 May 2017
Schedule 3:	Terms and Conditions of Placement Options and Broker Options

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 31 December 2017.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.asx.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;

- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 - Remuneration Report

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Part 2G.2, Division 9 of the Corporations Act provides Shareholders with the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings. Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election. The Company's Remuneration Report did not receive a Strike at the 2017 annual general meeting. If the Remuneration Report receives a Strike at this Meeting (2018 annual general meeting), Shareholders should be aware that if a second Strike is received at the 2018 annual general meeting, this may result in the re-election of the Board.

The Chairperson will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

5. Resolution 2 - Re-election of Director - Kin-Wai Lau

5.1 Background

Rule 18.2 of the Constitution require that one third of the Directors (excluding the Managing Director, and any Directors retiring in accordance with Rule 18.10) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third).

Rule 18.3 of the Constitution provides that a Director who retires in accordance with Rule 18.2 is eligible for re-election.

The Company currently has four Directors. Two of these Directors, Phillip Lord and Marcus Ungar, are retiring in accordance with Rule 18.10 of the Constitution (see Resolutions 3 and 4).

Rule 18.4 of the Constitution provides that the Directors who retire under Rule 18.2 are those who have held office the longest since last being elected or appointed.

In addition, Listing Rule 14.4 provides that a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer.

Kin-Wai Lau was last elected at the 2016 Annual General Meeting and has held office the longest since last being elected. Accordingly, Mr Lau will retire by rotation at this Meeting and, being eligible, will seek re-election.

Mr Lau is a serial tech entrepreneur with extensive international start-up, senior management and investment experience. Since founding his first company at the age of 23, Mr Lau has built companies across telecom software, internet media and biotech. Mr Lau was named by the media as one of the youngest ever Managing Directors of a publicly traded firm in Southeast Asia when he took to an Initial Public Offering of at the age of 28. He has since been involved in building other tech companies, with three of them being listed on major stock exchanges in the region. Mr Lau began his career as research staff and a PhD candidate at the Imperial College, London before starting up his own company. Mr Lau frequently supports entrepreneurial campaigns in colleges and universities and is a regular judge at innovation and start-up competitions in Singapore. Mr Lau graduated with first class honours in Electronic & Electrical Engineering from the University of Manchester, United Kingdom. He also has a Masters in Business, Administration from the University of Oxford.

Mr Lau is currently also a director of Fatfish Internet Group Limited (appointed July 2014), a major shareholder in the Company.

5.2 Additional information

Resolution 2 is an ordinary resolution.

The Board (excluding Kin-Wai Lau) unanimously recommends that Shareholders vote in favour of Resolution 2.

The Chairperson intends to exercise all available proxies in favour of Resolution 2.

6. Resolution 3 - Election of Director - Phillip Lord

6.1 Background

Rule 18.9 of the Constitution gives the Directors authority to appoint other Directors. Rule 18.10 of the Constitution provides that a Director so appointed by the other Directors under Rule 18.9 holds office only until the next annual general meeting of the Company, and is then eligible for re-election.

Listing Rule 14.4 similarly provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

Phillip Lord was appointed as a Director by the Board on 11 October 2017. Mr Lord therefore retires as a Director and seeks re-election at this Meeting.

Mr Lord has been a serial investor in tech and early stage companies with 20 years of experience in global equity, debt, and M&A markets. He was formerly Managing Director for Jefferies & Nomura, working in Tokyo, Hong Kong, Singapore & London.

6.2 Additional information

Resolution 3 is an ordinary resolution.

The Board (excluding Phillip Lord) unanimously recommends that Shareholders vote in favour of Resolution 3.

The Chairperson intends to exercise all available proxies in favour of Resolution 3.

7. Resolution 4 - Election of Director - Marcus Ungar

7.1 Background

A summary of Rules 18.9 and 18.10 of the Constitution, and Listing Rule 14.4, is in Section 7.1 above.

Marcus Ungar was appointed as a Director by the Board on 1 April 2018. Mr Ungar therefore retires as a Director and seeks re-election at this Meeting.

Mr Ungar is a founding member of CGAM Pty Ltd which is a private equity firm based in Sydney. CGAM invests in innovative, high quality technology companies seeking growth stage investment. He is currently the Chief Executive Officer of Investorlend Pty Limited. Investorlend is an investment platform which enables its investors to participate in commercial loans and equity linked investments. Mr Ungar has also continued his association with Compass Global Markets which specialises in foreign exchange and international payments. Mr Ungar holds a Bachelor of Business (UTS) 2011.

7.2 Additional information

Resolution 4 is an ordinary resolution.

The Board (excluding Marcus Ungar) unanimously recommends that Shareholders vote in favour of Resolution 4.

The Chairperson intends to exercise all available proxies in favour of Resolution 4.

8. Resolution 5 - Approval of 10% Placement Facility

8.1 General

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 now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

8.2 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.

(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 quoted classes of Equity Securities, Shares and 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 Shareholder approval under Listing Rule 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 Shareholder approval 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 (refer to Section 8.2(c)).

(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 on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph 8.2(e)(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 Shareholder approval 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).

8.3 Listing Rule 7.1A

The effect of Resolution 5 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.

8.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

(a) Minimum issue price

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 on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph 8.4(a)(i) above, the date on which the Equity Securities are issued.

If the Equity Securities are issued for non-cash consideration, then, in accordance with the Listing Rules, the Company will provide a valuation of the non-cash consideration to the market that demonstrates that the issue price of the securities complies with Listing Rule 7.1A.3.

(b) Risk of economic and voting dilution

If this Resolution 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 tables (in the case of Options, only if the Options are converted into Shares). There is a risk that:

- (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 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 or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

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

The below tables show:

- (i) the dilution of existing Shareholders on the basis of the current market price of Shares and the current (or forecast) number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice;
- (ii) 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
- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table 1: Based on the number of Shares on issue as at the date of this Notice

Variable 'A' in Listing Rule 7.1A.2*		Dilution		
		\$0.06 50% decrease in Issue Price	\$0.16 Issue Price	\$0.32 100% increase in Issue Price
Current Variable A 277,192,846 Shares	10% Voting Dilution	27,719,285 Shares	27,719,285 Shares	27,719,285 Shares
	Funds raised	\$2,217,543	\$4,435,086	\$8,870,171
50% increase in current Variable A 415,789,269 Shares	10% Voting Dilution	41,578,927 Shares	41,578,927 Shares	41,578,927 Shares
	Funds raised	\$3,326,314	\$6,652,628	\$13,305,257
100% increase in current Variable A 554,385,692 Shares	10% Voting Dilution	55,438,569 Shares	55,438,569 Shares	55,438,569 Shares
	Funds raised	\$4,435,086	\$8,870,171	\$17,740,342

Table 2: Based on the assumption that the Initial Consideration Shares are issued

Variable 'A' in Listing Rule 7.1A.2*		Dilution		
		\$0.08 50% decrease in Issue Price	\$0.16 Issue Price	\$0.32 100% increase in Issue Price
Current Variable A 302,192,846 Shares	10% Voting Dilution	30,219,285 Shares	30,219,285 Shares	30,219,285 Shares
	Funds raised	\$2,417,543	\$4,835,086	\$9,670,171
50% increase in current Variable A 453,289,269 Shares	10% Voting Dilution	45,328,927 Shares	45,328,927 Shares	45,328,927 Shares
	Funds raised	\$3,626,314	\$7,252,628	\$14,505,257
100% increase in current Variable A 604,385,692 Shares	10% Voting Dilution	60,438,569 Shares	60,438,569 Shares	60,438,569 Shares
	Funds raised	\$4,835,086	\$9,670,171	\$19,340,342

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

The tables have been prepared on the following additional assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
2. No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
3. 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%.
4. The tables do 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 Meeting.
5. 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.
6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed

that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

7. The issue price is \$0.16 being the closing price of the Shares on ASX on 13 April 2018.

(c) **Final date for issue**

The Company will only issue the Equity Securities during the 10% Placement Period.

(d) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of 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 expenses associated with such acquisition such due diligence costs and external advisors) and continued progression on the Company's current projects and working capital requirements.

(e) **Disclosure obligations**

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

(f) **Allocation policy**

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) 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 the Notice but may include existing substantial

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Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

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

(g) **Issues in the past 12 months**

The Company obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 30 May 2017.

In the 12 months preceding the date of this Meeting, and as at the date of this Notice, the Company has issued 51,000,100 Equity Securities, which represents 17.76% of the total number of Equity Securities on issue at the commencement of that 12-month period. Details of each of these issues of Equity Securities are in Schedule 2.

(h) **Voting exclusion statement**

A voting exclusion statement is included in the Notice.

At the date of the 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 the Notice.

8.5 **Additional information**

Resolution 5 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).

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

The Chairperson intends to exercise all available proxies in favour of Resolution 5.

9. **Resolution 6 - Approval of issue of Consideration Shares**

9.1 **Background**

On 15 November 2017, the Company announced that it had entered into a binding term sheet with Animoca Brands Corporation Limited (ASX: AB1) (**Animoca**) to acquire a portfolio of 318 mobile casual games from Animoca (**Acquisition**).

On 27 December 2017, the Company announced that it had entered into a definitive agreement for the Acquisition (**Acquisition Agreement**).

9.2 **Key terms of the Acquisition Agreement**

The key terms of the Acquisition Agreement are as follows:

- (a) **Consideration:**
- (i) \$250,000 upfront cash payment (already paid);
 - (ii) \$750,000 cash payable at Completion; and
 - (iii) \$4 million worth of Shares, calculated at a deemed issue price of \$0.16 per Share, to be issued at Completion (**Initial Consideration Shares**).
- (b) **Voluntary escrow:** The Initial Consideration Shares are to be subject to a voluntary escrow period as follows:

Escrow period	Number of Initial Consideration Shares	% of Initial Consideration Shares	% of total Shares on issue*
No escrow period	2,500,000	10%	0.83%
12 months after Completion Date	5,625,000	22.5%	1.86%
12 months after Completion Date	11,250,000	45.0%	3.72%
12 months after Completion Date	5,625,000	22.5%	1.86%
TOTAL	25,000,000	100%	8.27%

* Assuming no other Shares are issued.

- (c) **Deferred consideration:**
- (i) **Milestone 1:**
 - (A) If during the first year after Completion, the Games generate an aggregate Net Games Profit of at least \$500,000, the Company must issue Animoca (or its nominees) \$1.5 million worth of Shares (**Tranche 1 Deferred Consideration Shares**).
 - (B) The Tranche 1 Deferred Consideration Shares are to be issued within 15 days of the determination of the Net Games Profit.
 - (C) The Tranche 1 Deferred Consideration Shares will have a deemed issue price equal to the average closing Share price over the 15 trading days immediately preceding the issue date of the Tranche 1 Deferred Consideration Shares.

- (D) In the event that the number of Tranche 1 Deferred Consideration Shares exceeds 9,375,000, only 9,375,000 Shares will be issued as Tranche 1 Deferred Consideration Shares, and the balance of the \$1.5 million is to be satisfied by a cash payment.

The below table shows three worked examples of the potential number of Tranche 1 Deferred Consideration Shares and cash payments:

Deemed issue price	Number of Shares	Cash payment
\$0.08 (50% discount to floor price)	9,375,000	\$750,000
\$0.16 (floor price)	9,375,000	Nil
\$0.24 (50% premium to floor price)	6,250,000	Nil

(ii) Milestone 2:

- (A) If during the second year after Completion, the Games generate an aggregate Net Games Profit of at least \$1,000,000, the Company must issue Animoca (or its nominees) \$1.5 million worth of Shares (Tranche 2 Deferred Consideration Shares).
- (B) The Tranche 2 Deferred Consideration Shares are to be issued within 15 days of the determination of the Net Games Profit.
- (C) The Tranche 2 Deferred Consideration Shares will have a deemed issue price equal to the average closing Share price over the 15 trading days immediately preceding the issue date of the Tranche 2 Deferred Consideration Shares.
- (D) In the event that the number of Tranche 2 Deferred Consideration Shares exceeds 9,375,000, only 9,375,000 Shares will be issued as Tranche 2 Deferred Consideration Shares, and the balance of the \$1.5 million is to be satisfied by a cash payment.

The below table shows three worked examples of the potential number of Tranche 2 Deferred Consideration Shares and cash payments:

Deemed issue price	Number of Shares	Cash payment
\$0.08 (50% discount to floor price)	9,375,000	\$750,000
\$0.16 (floor price)	9,375,000	Nil
\$0.24 (50% premium to floor price)	6,250,000	Nil

- (d) **Profit share:** For the period of five years from Completion, Animoca will be entitled to a share in the Net Games Profit from the Games, to be satisfied by an annual cash payment on the following basis:

Net Games Profit	Animoca profit share entitlement
\$1,000,000 - \$1,499,999.99	10%
\$1,500,000 - \$1,999,999.99	20%
\$2,000,000 - \$2,499,999.99	30%
\$2,500,000 - \$2,999,999.99	40%
\$3,000,000 +	50%

- (e) **Representations and warranties:** Representations and warranties considered customary for an agreement of this nature have been provided by each of Animoca and the Company.

Completion of the Acquisition is intended to occur as soon as practicable following the receipt of Shareholder approval of Resolution 6, as this will satisfy the only remaining condition precedent.

9.3 General

Resolution 6 seeks Shareholder approval for the issue of the following Consideration Shares pursuant to Listing Rule 7.1:

- (a) 25,000,000 Initial Consideration Shares; and
- (b) up to 18,750,000 Deferred Consideration Shares, comprised of the following:
 - (i) up to 9,375,000 Tranche 1 Deferred Consideration Shares; and

- (ii) up to 9,375,000 Tranche 2 Deferred Consideration Shares.

9.4 Listing Rule 7.1

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

The effect of Resolution 6 will be to allow the Company to issue the Consideration Shares outside of the Company's 15% placement capacity under Listing Rule 7.1.

9.5 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Consideration Shares:

- (a) A maximum of 43,750,000 Shares are to be issued as Consideration Shares, on the basis summarised in Section 9.3.
- (b) The Company will issue the:
 - (i) Initial Consideration Shares by no later than 3 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
 - (ii) Tranche 1 Deferred Consideration Shares by no later than 22 June 2019 (in accordance with the terms of the waiver of Listing Rule 7.3.2 obtained by the Company); and
 - (iii) Tranche 2 Deferred Consideration Shares by no later than 22 June 2020 (in accordance with the terms of the waiver of Listing Rule 7.3.2 obtained by the Company).
- (c) The Consideration Shares are to be issued as partial consideration for the Acquisition and therefore will be issued at an issue price of nil. The deemed issue price of the Consideration Shares is as follows:
 - (i) the Initial Consideration Shares will have a deemed issue price of \$0.16 per Share; and
 - (ii) the Deferred Consideration Shares will have a deemed issue price equal to the average closing Share price over the 15 trading days immediately preceding the issue date of the relevant Shares, subject to a minimum price of \$0.16.
- (d) The Consideration Shares will be issued to Animoca (or its nominees).
- (e) The Consideration Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, except in respect of the voluntary escrow applicable to certain Initial Consideration Shares (summarised in Section 9.2(b) above).
- (f) The Consideration Shares are to be issued as partial consideration for the Acquisition and therefore no funds will be raised from the issue.

- (g) The Initial Consideration Shares will be issued on the date on which Completion occurs, which is intended to occur as soon as practicable following the Meeting. The Deferred Consideration Shares are intended to be issued following satisfaction of the applicable milestone (summarised in Section 9.2(c)), subject to the Tranche 1 Deferred Consideration Shares being issued by no later than 22 June 2019 and the Tranche 2 Deferred Consideration Shares being issued by no later than 22 June 2020.
- (h) A voting exclusion statement is included in the Notice.

9.6 Additional information

Resolution 6 is an ordinary resolution.

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

The Chairperson intends to exercise all available proxies in favour of Resolution 6.

10. Resolution 7 - Ratification of issue of Placement Securities

10.1 Background

On 9 October 2017, the Company announced that it was undertaking an equity raising comprised of a private placement to raise approximately \$1.3 million (Placement), by the issue of the following Equity Securities:

- (a) 20,500,000 Shares at \$0.065 per Share (Placement Shares); and
- (b) 20,500,000 free-attaching Options exercisable at \$0.10 each on or before 9 October 2019 (Placement Options),

(together, Placement Securities).

The Placement Securities were issued on 9 October 2017. The Placement Shares were issued pursuant to the Company's 10% placement capacity under Listing Rule 7.1A, and the Placement Options were issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1.

10.2 General

Resolution 7 seeks Shareholder approval for the ratification of the issue of the Placement Securities.

10.3 Listing Rules 7.1 and 7.1A

A summary of Listing Rule 7.1 is in Section 9.4 above.

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 30 May 2017.

10.4 Listing Rule 7.4

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

10.5 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the issue of the Placement Securities:

- (a) The Placement Securities were comprised of the following:
 - (i) 20,500,000 Placement Shares issued pursuant to Listing Rule 7.1A; and
 - (ii) 20,500,000 Placement Options exercisable at \$0.10 each on or before 9 October 2019 issued pursuant to Listing Rule 7.1.
- (b) The Placement Shares were issued at an issue price of \$0.065 each. The Placement Options were issued on a free-attaching basis to the Placement Shares, and therefore had an issue price of nil.
- (c) The Placement Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Placement Options are exercisable at \$0.10 each on or before 9 October 2019, and otherwise on the terms and conditions in Schedule 3.
- (d) The Placement Securities were issued to sophisticated or professional investors who are not related parties of the Company.
- (e) The Company intends to use the funds raised by the Placement towards the Company's general working capital, and to accelerate potential opportunities to build shareholder value in the dynamic industry in which the Company's business operates.
- (f) A voting exclusion statement is included in the Notice.

10.6 Additional information

Each of the Resolutions which form part of Resolution 7 is an ordinary resolution.

The Board unanimously recommends that Shareholders vote in favour of each of the Resolutions which form part of Resolution 7.

The Chairperson intends to exercise all available proxies in favour of each of the Resolutions which form part of Resolution 7.

11. Resolution 8 - Ratification of issue of Broker Options

11.1 Background

CPS Capital Group Pty Ltd (CPS) was engaged by the Company as its broker in connection with the Placement. On 9 October 2017, the Company issued CPS (or its nominees) 10,000,000 Options exercisable at \$0.065 each on or before 9 October 2018 (Broker Options) as partial consideration for the services provided by CPS in connection with the Placement.

The Broker Options were issued pursuant to the Company's 15% placement capacity under Listing Rule 7.1.

11.2 General

Resolution 8 seeks Shareholder approval for the ratification of the issue of the Broker Options.

11.3 Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is in Section 9.4 above. A summary of Listing Rule 7.4 is in Section 10.4 above.

11.4 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the issue of the Broker Options:

- (a) 10,000,000 Options were issued as Broker Options.
- (b) The Broker Options were issued in consideration of services provided and therefore had an issue price of nil.
- (c) The Broker Options are exercisable at \$0.065 each on or before 9 October 2018, and otherwise on the terms and conditions in Schedule 3.
- (d) The Broker Options were issued to CPS or its nominees.
- (e) The Broker Options were issued for nil cash consideration, and therefore no funds were raised from their issue.
- (f) A voting exclusion statement is included in the Notice.

11.5 Additional information

Resolution 8 is an ordinary resolution.

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

The Chairperson intends to exercise all available proxies in favour of Resolution 8.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 8.1.

10% Placement Period has the meaning given in Section 8.2(f).

Acquisition Agreement means the asset sale and purchase agreement between the Company and Animoca dated 22 December 2017.

Acquisition means the acquisition of the Games from Animoca by the Company pursuant to the Acquisition Agreement.

Animoca means Animoca Brands Corporation Limited (ACN 122 921 813).

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 31 December 2017.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited (ABN 98 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Broker Options has the meaning given in Section 11.1.

Chairperson 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 iCandy Interactive Limited (ACN 604 871 712).

Completion means completion of the sale and purchase of the Acquisition.

Constitution means the constitution of the Company as at the date of the Meeting.

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

CPS means CPS Capital Group Pty Ltd (ACN 088 055 636).

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 and **Equity Securities** has the corresponding meaning.

Explanatory Memorandum means the explanatory memorandum 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.

Games means the games the subject of the Acquisition Agreement.

Initial Consideration Shares has the meaning given in Section 9.2.

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 ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Net Games Profit means the aggregate revenues relating to the Games recognised and actually collected from:

- (a) in-game virtual items sales;
- (b) sales of the paid versions of the Games; and
- (c) any in-game advertising proceeds, including proceeds from any barter-based, pay-per-install, pay-per-action, or other similar ad networks,

minus deductions for:

- (a) channel costs (including the commission of sales of, or within, the Games via (i) Apple Inc's App Store levied by Apple Inc (in relation to the iOS version), (ii) Google Inc's Google Play levied by Google Inc (in relation to the Android version), and (iii) other proprietors' Android application stores levied by such respective proprietors (in relation to the Android version));
- (b) intellectual property rights holder's share (if any); and
- (c) personnel costs related to the maintenance and the development of the Games.

Notice means this notice of annual general meeting.

Option means an option to acquire a Share.

Placement has the meaning given in Section 10.1.

Placement Options has the meaning given in Section 10.1.

Placement Shares has the meaning given in Section 10.1.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution referred to in the Notice.

Rule means a rule of the Constitution.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Strike means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

Tranche 1 Deferred Consideration Shares has the meaning given in Section 9.2(c)(i).

Tranche 2 Deferred Consideration Shares has the meaning given in Section 9.2(c)(ii).

VWAP means volume weighted average price.

Schedule 2 - Issues of Equity Securities since 30 May 2017

Date of Issue	Number of Securities	Type of Security	Recipient of Security	Issue Price and details of any discount to Market Price ¹ (if applicable)	Consideration & Use of Funds as at the date of this Notice
9/10/17	20,500,000	Shares ²	Sophisticated and professional investors who participated in the capital raising announced 9/10/17.	An issue price of \$0.065 per Share, representing a discount of 53.57% to the closing market price at the date of issue.	<p>Consideration: Cash (\$1,332,500).</p> <p>Funds spent to date: All funds raised have been spent as at the date of this Notice.</p> <p>Use of funds spent to date: The funds have been applied in a manner consistent with the disclosures in the announcement of 9/10/17, namely, on general working capital, and to accelerate potential opportunities to build shareholder value in the dynamic industry in which the Company's business operates.</p> <p>Proposed use of remaining funds: It is intended that the remaining funds will be applied in the same manner as described above in respect of the funds spent as at the date of this Notice.³</p>
9/10/17	20,500,000	Placement Options ⁴	Sophisticated and professional investors who participated in the capital raising announced 9/10/17.	Nil	<p>Consideration: Issued on a "free-attaching" basis to the Shares issued as described in the above row.</p> <p>Current value: 2,023,285⁵</p>
9/10/17	10,000,000	Broker Options ⁶	CPS Capital Group or nominees.	Nil.	<p>Consideration: Lead manager services provided to the Company in connection with its capital raising.</p> <p>Current value: \$1,000,480⁵</p>
11/01/18	100	Shares ²	Nominated sophisticated investor.	An issue price of \$0.16 per Share, representing the closing market price at the date of issue.	<p>Consideration: Cash (\$16).</p> <p>Funds spent to date: All funds raised have been spent as at the date of this Notice.</p> <p>Use of funds: The funds were applied to the costs of the issue, which was undertaken pursuant to a 'cleansing' prospectus.</p>

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¹ Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.

² Fully paid ordinary shares in the capital of the Company, ASX Code: ICI (terms are set out in the Constitution).

³ This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

⁴ Exercisable at \$0.10 each on or before 9 October 2019, and otherwise on the terms and conditions in Schedule 3.

⁵ The current value of the Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option.

⁶ Exercisable at \$0.065 each on or before 9 October 2018, and otherwise on the terms and conditions in Schedule 3.

Schedule 3 - Terms and conditions of Placement Options and Broker Options

1. Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price and Expiry Date: The exercise price and expiry date of the Options is as specified below:

Options	Placement Options	Broker Options
Exercise Price	\$0.10 each	\$0.065 each
Expiry Date	9 October 2019	9 October 2018

An Option not exercised by the Expiry Date will automatically lapse at 5.00pm (WST) on the Expiry Date.

3. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (Exercise Period).

4. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

5. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

6. Quotation

Unless determined otherwise by the Board in its absolute discretion, the Options will not be quoted on the ASX or any other recognised exchange.

7. Issue of Shares on exercise

Within 15 business days after the Exercise Date, the Company will:

- (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge

with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (c) if admitted to the official list of ASX at the time, subject to any restriction or escrow arrangements imposed by ASX or under the Scheme, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

8. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

9. Reconstruction of capital

In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the Option holder will be varied in accordance with the Listing Rules.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. However, the Company will give the holders of Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

11. Change in exercise price

There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).

12. Adjustment for bonus issues

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder of the Options had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Option exercise price.

13. Transferability

The Options are transferable with prior written consent of the Board.

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14. **Adjustments:** Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
15. **Governing law:** These terms and the rights and obligations of the Option holder are governed by the laws of Western Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

LODGE YOUR VOTE

-  **BY MAIL**
iCandy Interactive Limited
Level 4, 91 William Street,
Melbourne, VIC 3000, Australia
-  **BY FAX**
+61 2 9287 0309
-  **BY HAND**
iCandy Interactive Limited
Level 4, 91 William Street, Melbourne, VIC 3000, Australia
-  **BY EMAIL**
jjahui@dwaccounting.com.au

PROXY FORM

I/We being a member(s) of iCandy Interactive Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box) **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AEST) on Tuesday, 22 May 2018 at Level 4, 91 William Street, Melbourne, VIC 3000, Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).


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

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Kin-Wai Lau	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Phillip Lord	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7a Ratification of issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Election of Director – Marcus Ungar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7b Ratification of issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				8 Ratification of issue of Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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STEP 1

STEP 2

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (AEST) on Sunday, 20 May 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.



BY MAIL

iCandy Interactive Limited
Level 4, 91 William Street
Melbourne, VIC 3000, Australia



BY FAX

+61 2 9287 0309



BY HAND

iCandy Interactive Limited
Level 4, 91 William Street
Melbourne, VIC 3000, Australia

* During business hours (Monday to Friday, 9:00am–5:00pm)



BY EMAIL

jjahui@dwaccounting.com.au



COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**