



**FATFISH BLOCKCHAIN LIMITED
ACN 004 080 460**

NOTICE OF GENERAL MEETING

**The General Meeting of the Company will be held at the
offices of the Company,
at Level 4, 91 William Street, Melbourne, Victoria
on Thursday, 28 February 2019 at 2pm (AEDT).**

The Notice of 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 3 8611 5353.

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

FATFISH BLOCKCHAIN LIMITED

ACN 004 080 460

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Fatfish Blockchain Limited (**Company**) will be held at the offices of the Company, at Level 4, 91 William Street, Melbourne, Victoria, on Thursday, 28 February 2019 at 2pm (AEDT) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this 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 on Tuesday, 26 February 2019 at 5:00 pm (AEDT).

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

AGENDA

1. Resolution 1 - Ratification of issue of Remaining Tranche 1 Convertible Notes

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 300,000 Convertible Notes to the Noteholder or its nominees on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Noteholder or its nominees or an associate of those persons.

However, the Company need not disregard a vote if:

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

2. Resolution 2 - Ratification of issue of Conversion 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 7.4 and for all other purposes, Shareholders ratify the issue of 33,892,618 Shares to the Noteholder or its nominees on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Noteholder or its nominees or an associate of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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. Resolution 3 - Approval of issue of Additional Convertible Notes

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 up to 2,200,000 Additional Convertible Notes to the Noteholder or its nominees on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Noteholder or its nominees or an associate of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 - Ratification of issue of Establishment Fee 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 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Shares to the Noteholder or its nominees on the terms and conditions set out in the Explanatory Memorandum."

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Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Noteholder or its nominees or an associate of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair 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: 29 January 2018

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FATFISH BLOCKCHAIN LIMITED

ACN 004 080 460

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 the offices of the Company, at Level 4, 91 William Street, Melbourne, Victoria, on Thursday, 28 February 2019 at 2pm (AEDT).

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	Resolution 1 - Ratification of issue of Remaining Tranche 1 Convertible Notes
Section 4	Resolution 2 - Ratification of issue of Conversion Shares
Section 5	Resolution 3 - Approval of issue of Additional Convertible Notes
Section 6	Resolution 4 - Ratification of issue of Establishment Fee Shares
Schedule 1	Definitions
Schedule 2	Summary of Convertible Note Agreement

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

2. Action to be taken by Shareholders

2.1 Action to be taken by Shareholders

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

2.2 Proxies

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. Resolution 1 - Ratification of issue of Remaining Tranche 1 Convertible Notes

3.1 Background

As announced by the Company on 22 November 2018, the Company and Arena Investors LP (**Noteholder**) have entered into an agreement (**Convertible Note Agreement**) pursuant to which the parties have agreed the terms on which the Noteholder may subscribe for up to \$10 million worth of Convertible Notes in the Company.

The Noteholder is a New York based registered investment advisor that originates investments (generally below \$50 million) with borrowers and other counterparties who need access to financing.

The material terms of the Convertible Note Agreement are summarised in Schedule 2.

The Noteholder subscribed for the first tranche of Convertible Notes for a total face value of \$800,000 (**Tranche 1 Notes**). The 800,000 Tranche 1 Notes were issued on 4 December 2018.

On 5 December 2018, the Noteholder issued the Company with a conversion notice for the conversion of \$500,000 of the Tranche 1 Notes. The Company issued the Noteholder with 33,892,618 Shares on 6 December 2018 in accordance with this conversion notice.

As 500,000 of the Tranche 1 Notes have been converted, 300,000 of the Tranche 1 Notes remain on issue (**Remaining Tranche 1 Convertible Notes**).

The costs directly incurred by the Company in entering into the Convertible Note Agreement included \$50,000 worth of legal and due diligence costs payable to the Noteholder, arrangement fees equal to \$28,000 (plus GST), and the Establishment Fee Shares.

3.2 Listing Rule 7.1 and Listing Rule 7.4

Listing Rule 7.1 provides, in summary, that without shareholder approval, 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 Remaining Tranche 1 Convertible Notes are convertible at any time, and were issued under the Company's placement capacity under Listing Rule 7.1. The maximum number of Shares that may be issued on conversion of the Remaining Tranche 1 Convertible Notes, based on the agreed floor price of \$0.013 per Share, is 23,307,692. The conversion of the Remaining Tranche 1 Convertible Notes is not subject to the receipt of prior Shareholder approval. Accordingly, the 23,307,692 Equity Securities are deducted from the Company's placement capacity under Listing Rule 7.1.

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

The effect of Resolution 1 will be to permit the Company to refresh the Company's placement capacity under Listing Rule 7.1 to the extent of 23,307,692 Equity Securities.

3.3 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 ratification of the issue of the Remaining Tranche 1 Convertible Notes:

- (a) 300,000 Remaining Tranche 1 Convertible Notes were issued.

The number of Shares to be issued on conversion of the Remaining Tranche 1 Convertible Notes will be calculated by the following formula:

$$\text{Number of Shares} = \frac{101\% \text{ of Specified Principal Amount}}{\text{Conversion Price}}$$

The "Specified Principal Amount" is the aggregate principal amount of the Convertible Notes that are subject to the conversion.

The number of Shares to be issued on conversion of the Remaining Tranche 1 Convertible Notes therefore depends on the Conversion Price at the time. A maximum of 23,307,692 Shares may be issued on conversion of the Remaining Tranche 1 Convertible Notes, based on the Conversion Price being equal to the Floor Price.

- (b) The Remaining Tranche 1 Convertible Notes were issued at an issue price of \$1 each.
- (c) The Remaining Tranche 1 Convertible Notes were issued on the terms and conditions summarised in Schedule 2. Any shares issued on conversion of the Remaining Tranche 1 Convertible Notes will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares then on issue.
- (d) The Remaining Tranche 1 Convertible Notes were issued to the Noteholder (or its nominees).
- (e) The intended use of the funds raised by the issue of the Remaining Tranche 1 Convertible Notes is as follows:
- (i) further investment into investee companies;

- (ii) the potential investment into other investee companies, should an appropriate opportunity arise which is consistent with the Company's existing business;
- (iii) the costs associated with the entry into the Convertible Note Agreement and the issue of the Tranche 1 Notes; and
- (iv) general working capital.
- (f) A voting exclusion statement is included in the Notice.

3.4 Additional information

The Board unanimously recommends that Shareholders vote in favour of Resolution 1.

Resolution 1 is an ordinary resolution.

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

4. Resolution 2 - Ratification of issue of Conversion Shares

4.1 Background

As summarised in Section 3.1, on 5 December 2018, the Noteholder issued the Company with a conversion notice for the conversion of a face value of \$500,000 of the Tranche 1 Notes. The Company issued the Noteholder with 33,892,618 Shares (**Conversion Shares**) on 6 December 2018 in accordance with this conversion notice.

4.2 Listing Rule 7.1 and Listing Rule 7.4

A summary of Listing Rules 7.1 and 7.4 is in Section 3.2.

The effect of Resolution 2 will be to permit the Company to refresh the Company's placement capacity under Listing Rule 7.1 to the extent of the Conversion Shares.

4.3 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 ratification of the issue of the Conversion Shares:

- (a) 33,892,618 Conversion Shares were issued.
- (b) The Conversion Shares were issued at a deemed issue price of \$0.01475 each.
- (c) The Conversion Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Conversion Shares were issued to the Noteholder (or its nominees).
- (e) The intended use of the funds raised by the issue of the Tranche 1 Notes is as follows:
- (i) further investment into investee companies; and
- (ii) the costs associated with the entry into the Convertible Note Agreement and the issue of the Tranche 1 Notes; and

(iii) general working capital.

No additional funds were raised by the partial conversion of the Tranche 1 Notes and issue of the Conversion Shares.

(f) A voting exclusion statement is included in the Notice.

4.4 Additional information

The Board unanimously recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

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

5. Resolution 3 - Approval of issue of Additional Convertible Notes

5.1 Background

As noted in Section 3.1, the Noteholder has subscribed for the first tranche of Convertible Notes for a total price of \$800,000.

The Convertible Note Agreement provides that the Company may request up to nine additional tranches of funding. The second tranche will, if subscribed for, be in the amount of \$1,200,000, and the remaining eight tranches will, if subscribed for, be in the amount of \$1,000,000 each, such that a maximum additional aggregate funding amount of \$9,200,000 may be advanced. The provision of such additional tranches of funding is subject to the Noteholder's agreement at that time and the satisfaction of conditions precedent (refer to Schedule 2 for details).

The Company currently intends on requesting up to two tranches of additional funding within the three-month period following the date of the Meeting. Accordingly, Resolution 3 seeks Shareholder approval for the issue of up to 2,200,000 Convertible Notes (**Additional Convertible Notes**).

In the event that the Company intends to request further tranches of additional funding under the Convertible Note Agreement, it will either seek a subsequent approval from Shareholders, or issue such further tranches of Convertible Notes pursuant to its available placement capacity under Listing Rule 7.1.

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is in Section 3.2 above.

The effect of Resolution 3 will be to allow the Company to issue the Additional Convertible Notes within the period specified in Section 5.4(b) below, without using the Company's 15% annual placement capacity.

The effect of Resolution 3 will also be that the issue of any Shares on conversion of the Additional Convertible Notes will be within the scope of exception 4 of Listing Rule 7.3. Accordingly, the issue of such Shares will not form part of the Company's 15% annual placement capacity set out in Listing Rule 7.1.

5.3 Examples of conversion of the Additional Convertible Notes

The formula for calculating the Conversion Price of the Additional Convertible Notes is dependent on the circumstances of the conversion, subject at all times to the Conversion Price being no lower than \$0.013 (the Floor Price).

For illustrative purposes, a number of examples are contained below, which show the potential effect of the conversion of the Additional Convertible Notes into Shares at a range of Conversion Prices. These examples are based on the following additional assumptions:

- (a) the Additional Convertible Notes are all converted in full; and
- (b) no other Shares are issued.

Conversion Price	Number of Shares issued on conversion	Dilution to Shareholders
\$0.0131	170,923,077	23.25%
\$0.01552 ²	141,752,577	20%
\$0.0278 ³	79,136,691	12%
\$0.08396 ⁴	26,202,954	4%

¹ The Floor Price.

² The Conversion Price that would apply based on the average of the closing price of Shares over the 25 trading days ending on 23 January 2019, being the latest practicable date before the date of this Notice.

³ The Conversion Price that would apply based on the average of the closing price of Shares over the 25 trading days ending on 23 July 2018, being the date 6 months before the latest practicable date before the date of this Notice.

⁴ The Conversion Price that would apply based on the average of the closing price of Shares over the 25 trading days ending on 23 January 2018, being the date 12 months before the latest practicable date before the date of this Notice.

Under the terms of the Convertible Note Agreement, the Noteholder has agreed not to convert any Convertible Notes, if that would result in the Noteholder holding a relevant interest in more than 19.99% of the issued Shares, except to the extent permitted under section 611 of the Corporations Act.

5.4 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 Additional Convertible Notes:

- (a) The maximum number of Additional Convertible Notes that may be issued is 2,200,000.

The number of Shares to be issued on conversion of the Additional Convertible Notes will be calculated by the following formula:

$$\text{Number of Shares} = \underline{101\% \text{ of Specified Principal Amount}}$$

Conversion Price

The “Specified Principal Amount” is the aggregate principal amount of the Convertible Notes that are subject to the conversion.

The number of Shares to be issued on conversion of the Additional Convertible Notes therefore depends on the Conversion Price at the time. A maximum of 170,923,077 Shares may be issued on conversion of the Additional Convertible Notes, based on the Conversion Price being equal to the Floor Price.

- (b) The Additional Convertible Notes as approved by Shareholders will be issued by no later than three months after the date of the Meeting.
- (c) The issue price of the Additional Convertible Notes will be the face value of \$1 each.
- (d) The Additional Convertible Notes will be issued to the Noteholder (or its nominees).
- (e) The terms of the Additional Convertible Notes are summarised in Schedule 2. Any shares issued on conversion of the Additional Convertible Notes will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company’s existing Shares then on issue.
- (f) The intended use of the funds raised by the issue of the Additional Convertible Notes is as follows:
 - (i) further investment into existing investee companies;
 - (ii) the potential investment into other investee companies, should an appropriate opportunity arise which is consistent with the Company’s existing business;
 - (iii) the costs associated with the issue of the Additional Convertible Notes; and
 - (iv) general working capital.
- (g) The Additional Convertible Notes will be issued progressively.
- (h) A voting exclusion statement is included in the Notice.

5.5 Additional information

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

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

6. Resolution 4 - Ratification of issue of Establishment Fee Shares

6.1 Background

In consideration for the entry into the Convertible Note Agreement, the Company issued the Noteholder (or its nominees) 15,000,000 Shares on 4 December 2018 (Establishment Fee Shares).

6.2 Listing Rule 7.1 and Listing Rule 7.4

A summary of Listing Rules 7.1 and 7.4 is in Section 3.2 above.

The effect of Resolution 4 will be to permit the Company to refresh the Company's placement capacity under Listing Rule 7.1 to the extent of the Establishment Fee Shares.

6.3 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 ratification of the issue of the Establishment Fee Shares:

- (a) 15,000,000 Establishment Fee Shares were issued.
- (b) The Establishment Fee Shares were issued at a deemed issue price of \$0.02 each and an actual issue price of nil.
- (c) The Establishment Fee Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Establishment Fee Shares were issued to the Noteholder (or its nominees).
- (e) No funds were raised by the issue of the Establishment Fee Shares as they were issued in consideration for the entry into Convertible Note Agreement. The intended use of funds raised under the Convertible Note Agreement is as described in Sections 3.3(e) and 5.4(f).
- (f) A voting exclusion statement is included in the Notice.

6.4 Additional information

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

Resolution 4 is an ordinary resolution.

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

Schedule 1 - Definitions

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

\$ means Australian Dollars.

Additional Convertible Notes has the meaning given in Section 5.1.

AEDT means Australian Eastern Daylight Time, being the time in Melbourne, Victoria.

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

Board means the board of Directors.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Company means Fatfish Blockchain Limited ACN 004 080 460.

Conversion Price means the higher of:

- (a) the Floor Price; and
- (b) the lower of:
 - (i) 125% of the average closing price of the Shares over the 25 trading days immediately prior to the issue date of the relevant Convertible Note being converted; and
 - (ii) 90% of the average of the closing prices of the Shares for any 5 consecutive trading days during the 25 trading days immediately preceding the last trading day before the conversion date.

Conversion Shares has the meaning given in Section 4.1.

Convertible Note Agreement means the convertible note agreement between the Company and the Noteholder announced on 22 November 2018.

Convertible Notes means the notes issued or which may be issued under the Convertible Note Agreement.

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

Director means a director of the Company.

Equity Security has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

Establishment Fee Shares has the meaning given in Section 6.1.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Floor Price means \$0.013.

Listing Rules means the listing rules of ASX.

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

Noteholder means Arena Investors L.P.

Notice means this notice of general meeting.

Proxy Form means the proxy form attached to the Notice.

Remaining Tranche 1 Convertible Notes has the meaning given in Section 3.1.

Resolution means a resolution referred to in the Notice.

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.

Tranche 1 Notes has the meaning given in Section 3.1.

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Schedule 2 - Summary of Convertible Note Agreement

Face Value	\$1.00 per Convertible Note
Conditions for additional tranches of Convertible Notes	<p>The subscription for and issue of each further tranche of the Convertible Notes (including the Additional Convertible Notes) is subject to and condition on the satisfaction or waiver (where permitted) of the following conditions precedent:</p> <ul style="list-style-type: none"> • written notification by the Company that it intends to draw down the funding under Convertible Notes; • written notification by the Noteholder that it agrees to subscribe for the Convertible Notes; • evidence that the Company has received shareholder approval pursuant to and in accordance with Listing Rule 7.1 to issue the Convertible Notes, and all Shares on conversion of the Convertible Notes; • the Company confirming in writing, with effect on the relevant issue date, signed by 2 directors, that no event of default and no event or circumstance which with the passage of time or the fulfilment of any condition is reasonably likely to become an event of default is continuing unremedied or would occur as a result of the issue by the Company of any of the Convertible Notes; • the Company confirming in writing, with effect on the relevant issue date, signed by 2 directors, that no material adverse change and no change of control has occurred and no event or circumstance which with the passage of time or the fulfilment of any condition is reasonably likely to become a material adverse change or change of control is continuing unremedied or would occur as a result of the issue by the Company of any of the Convertible Notes; • the market capitalisation of the Company is at least \$5,000,000; • the average volume weighted average price of the Company's Shares over the 30 trading days prior to closing is higher than the floor price (\$0.013) and the Company's Share price is above the floor price for all of the 5 trading days prior to closing.
Conversion	<ul style="list-style-type: none"> • Subject to the below, the Noteholder may, at its election, convert one or more of the Convertible Notes into Shares. • The number of Shares issued are calculated in accordance with the following formula: $\text{Number of Shares} = \frac{101\% \text{ of Specified Principal Amount}}{\text{Conversion Price}}$ • The "Specified Principal Amount" is the aggregate principal amount of the Convertible Notes that are subject to the conversion. • The "Conversion Price" is, in respect of each conversion, the higher of: <ul style="list-style-type: none"> ○ the "floor price" of \$0.013; and

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	<ul style="list-style-type: none"> ○ the lower of: <ul style="list-style-type: none"> ▪ 125% of the average closing price of the Shares over the 25 trading days immediately prior to the issue date of the Convertible Note being converted; and ▪ 90% of the average of the closing prices of the Shares for any 5 consecutive trading days during the 25 trading days immediately preceding the last trading day before the conversion date. ● The Noteholder agrees not to convert any Convertible Notes, if that would result in the Noteholder holding a relevant interest in more than 19.99% of the issued Shares, except to the extent permitted under section 611 of the Corporations Act.
Maturity	<ul style="list-style-type: none"> ● The Maturity Date of the Tranche 1 Convertible Notes is 4 December 2019. ● The Maturity Date of each tranche of other Convertible Notes issued will be 12 months after the date of issue. ● The Company must redeem the outstanding Convertible Notes on the Maturity Date an amount equal to 101% of the outstanding principal amount in cash.
Early redemption events	<p>The following are “early redemption events”:</p> <ul style="list-style-type: none"> ● the average daily trading value of Shares on ASX over any 35 consecutive trading days (disregarding any trading halt at the request of the Company not exceeding 2 trading days in aggregate during that period) is less than \$20,000; ● the market capitalisation of the Company falls below \$5,000,000; and ● the closing price per Share on any trading day is less than the floor price (\$0.013), prior to the conversion of the Convertible Notes in full. <p>In the event of an early redemption, the Noteholder may at any time while it is continuing declare by notice to the Company that one or more of the following is to apply:</p> <ul style="list-style-type: none"> ● the entire outstanding principal amount, together with accrued interest, and all other amounts accrued or outstanding under the Convertible Note Agreement, is either: <ul style="list-style-type: none"> ○ payable on demand; or ○ immediately due for payment and payable, and the Company must redeem all the Notes on issue and must pay the “Termination Payment” (defined below) to the Noteholder; ● the Noteholder obligations under the Convertible Note Agreement are terminated; and ● the Noteholder may exercise any or all of its rights, remedies, powers or discretions under the Convertible Note Agreement.
Termination Payment	<p>The Company is liable for an amount of \$500,000, less an amount equivalent to the number of tranches of Convertible Notes drawn</p>

	(up to maximum of 5) multiplied by \$100,000 at the relevant time the Termination Payment obligation arises in accordance with the Convertible Note Agreement.
Security	The Notes are unsecured.
Interest	<ul style="list-style-type: none"> • The Company must pay the Noteholder interest at a rate of 1% per annum on the principal amount of the outstanding Notes. • Interest accrues on a daily basis. • Payable in cash on 30 June and 31 December in each year and on Maturity Date. • If an event of default occurs, an interest rate of 5% per annum will apply and is payable monthly.
Representations and warranties	The Company has provided the Noteholder with customary representations and warranties.
Events of default	<p>The Convertible Note Agreement includes typical events of default, including amongst other things, the following (in summary):</p> <ul style="list-style-type: none"> • ASX makes a determination that the terms of the Convertible Note do not comply with the Listing Rules; • the Company fails to obtain the approval of its shareholders for any transaction under the Convertible Note Agreement; • the Company does not issue any Shares to the Noteholder within 5 business days of receipt of a conversion notice; • the Company fails to pay any cash amount due under the Convertible Note Agreement on its due date or within 5 business days after its due date; • failure by the Company to perform any other material obligation, covenant or undertaking under the Convertible Note Agreement, excluding payment default, and, in relation to any rectifiable failure, within 14 days following notice by the Noteholder requiring rectification; • the Company is in breach of any of the warranties given under the Convertible Note Agreement; • the Company fails to file any annual or quarterly reports required by law or the Listing Rules; • the Company fails to comply with any of the Listing Rules in any material respect; • an entity that is a subsidiary of the Company at the date of the Convertible Note Agreement ceases to be a subsidiary of the Company, other than pursuant to the proposed European spinout or proposed IPO of Minerium (as previously announced); • an insolvency event occurs in relation to the Company; • the Company incurs any financial indebtedness other than under the Convertible Note Agreement, in the ordinary course of business, or pursuant to the proposed European spinout or proposed IPO of Minerium;

- any indebtedness of the Company or any of its subsidiaries is not paid when due (or within any applicable grace period) or is or becomes due and payable prior to its stated maturity date for any reason;
- a distress, attachment, executive or other legal process is levied, enforced or sued out on or against any part of the property, assets or revenues of the Company or any of its subsidiaries;
- a mortgagee, charge or other encumbrancer takes possession of, exercises rights under any security in relation to, or a receiver, receiver and manager, administrator, liquidator, provisional liquidator or officer of the Court is appointed in relation to, the whole or any substantial part of the property, assets or revenues of the Company or any of its subsidiaries;
- any authorisation, approval or consent required for the issue redemption or conversion of the Convertible Note is not obtained or is suspended, terminated, revoked, withdrawn or expires, modified, restricted or otherwise fails to remain in full force and effect (in whole or in part) in anyway unacceptable to the Noteholder;
- an order of effective resolution is made for the winding-up or dissolution, judicial management or administration of the Company or any of its subsidiaries, or any of its subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations;
- it is or becomes unlawful for:
 - (A) the Company to perform or comply with any one of more of its obligations under any of the Convertible Notes or the Convertible Note Agreement;
 - (B) the Noteholder to convert any Convertible Notes or hold any Shares; or
 - (C) the Company or any of its subsidiaries to carry on all or substantially all of its business or operations;
- the Company or any of its subsidiaries transfers or otherwise disposes of all or substantially all of its assets to any person, other than pursuant to the proposed European spinout or proposed IPO of Minerium;
- any Governmental agency:
 - (i) condemns, nationalises, seizes, compulsorily acquires any material assets of any the Company or any of its subsidiaries;
 - (ii) nationalises, seizes, compulsorily acquired or otherwise expropriates all or any part of the share capital of any of the Company or any of its subsidiaries;
 - (iii) assumes custody or control of all or any part of the material assets or business operation of any of the Company or any of its subsidiaries;

	<ul style="list-style-type: none"> (iv) takes any action that would result in the dissolution or disestablishment of any of the Company or any of its subsidiaries; or (v) otherwise takes any other action which: <ul style="list-style-type: none"> (1) prevents the Company or any of its subsidiaries or their respective management from conducting all or a substantial part of its business or operations; (2) deprives the Company or any of its subsidiaries of the use of any material asset; • a material qualification is made by any auditor appointed by the Company or any of its subsidiaries to audit its financial statements; • Shares cease to be listed on the ASX or are suspended from trading for more than 5 trading days in any rolling 12-month period; • a material adverse change occurs in relation to or affects the Company; • a change of control of the Company occurs; and • the Company breaches any of its restrictions under the Convertible Note Agreement. <p>If an event of default occurs and continues unremedied for a period of 5 Business Days, the Noteholder may declare at any time by notice to the Company that:</p> <ul style="list-style-type: none"> • the entire outstanding principal amount, together with accrued interest, and all other amounts accrued or outstanding under the Convertible Note Agreement, is either: <ul style="list-style-type: none"> (i) payable on demand; or (ii) immediately due for payment and payable, and the Company must redeem all the Notes on issue and must pay the Termination Payment to the Noteholder; • the Noteholder obligations under the Convertible Note Agreement are terminated; and • the Noteholder may exercise any or all of its rights, remedies, powers or discretions under the Convertible Note Agreement.
<p>Company Covenants</p>	<p>The Convertible Note Agreement includes typical covenants from the Company, including that the Company and its subsidiaries must not, without the prior consent of the Noteholder:</p> <ul style="list-style-type: none"> • dispose of any of its assets, unless the disposal is done pursuant to the proposed European spinout or the proposed IPO of Minerium; • cease its respective business or change the general nature of its respective business; • enter into contracts with third parties on other than arm's length open market terms for valuable consideration;

	<ul style="list-style-type: none"> • incur any financial indebtedness (other than under the Convertible Note Agreement or in the ordinary course of business) or grant any security interest over any of its respective assets, unless it entered into pursuant to the proposed European spinout or proposed IPO of Minerium; • lend money to or guarantee or become liable for the debts of any person other than the Company or a subsidiary; • authorise or permit the authorisation of a voluntary or involuntary administration, liquidation, dissolution or winding up on it or its respective business; or • amend its constitution in a way that has, or could have, a negative impact on the Noteholder.
Quotation	The Convertible Notes will not be quoted on the ASX.
Assignment	A party cannot assign or otherwise transfer the benefit of the Convertible Note Agreement without the prior written consent of the other party.

FATFISH BLOCKCHAIN LIMITED

ACN 004 080 460

PROXY FORM

The Company Secretary
Fatfish Blockchain Limited

By post: Level 4, 91 Williams Street, Melbourne, Victoria 3000
By email: jiahui@dwaccounting.com.au

Name of Shareholder:

Address of Shareholder:

Number of Shares entitled to vote:

Please mark to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the Meeting.

STEP 1 - APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/We being Shareholder/s of the Company hereby appoint:

The Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

Or failing the person/body corporate named, or if no person/body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting 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 law, as the proxy sees fit), at the general meeting of the Company to be held at the offices of the Company, at Level 4, 91 Williams Street, Melbourne, Victoria, at 2pm (AEDT) on Thursday, 28 February 2019, and at any adjournment or postponement of that Meeting.

CHAIR'S VOTING INTENTIONS IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intentions on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

STEP 2 - INSTRUCTIONS AS TO VOTING ON RESOLUTIONS

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Ratification of issue of Remaining Tranche 1 Convertible Notes			
Resolution 2	Ratification of issue of Conversion Shares			
Resolution 3	Approval of issue of Additional Convertible Notes			
Resolution 4	Ratification of issue of Establishment Fee Shares			

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

* If you mark the Abstain box for a particular Resolution, 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.

Authorised signature/s

This section **must** be signed in accordance with the instructions below to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

² Insert name and address of proxy

*Omit if not applicable

PROXY NOTES

A Shareholder entitled to attend and vote at the general meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that general meeting. If the Shareholder is entitled to cast 2 or more votes at the general meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that general meeting, the representative of the body corporate to attend the general meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

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

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the general meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be posted to or received by electronic transmission the offices of the Company (Level 4, 91 Williams Street, Melbourne, Victoria, 3000 or email jiahui@dwaccounting.com.au) not less than 48 hours prior to the time of commencement of the general meeting (AEDT).