

Notice of Annual General Meeting and Explanatory Statement

Annual General Meeting to be held at the offices of:

**36/38 Manchester Lane
Melbourne**

On Tuesday 27 November 2018 commencing at 2.00 pm (AEDT)

VPCL LIMITED
(formerly Velpic Limited)
ACN 149 197 651

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

Corporate Directory

Directors	Ms Leanne Graham (Chairperson) Mr Justin Klintberg (Non-Executive Director) Mr Chris Mews (Non-Executive Director)
Company Secretary	Ms Catherine Anderson catherine.anderson@velpic.com
Registered Office	243 Hay Street Subiaco WA 6008 1300 VELPIC (+61 8 61604455) info@velpic.com
Website	www.velpic.com
Share Registry	Link Market Services Limited QV1 Building Level 12, 250 St Georges Terrace Perth WA 6000 Telephone: 1300 554 474 Overseas: +61 1300 554 474
ASX Code	VPC

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of VPCL Limited ("the Company") will be held at 36/38 Manchester Lane, Melbourne, Victoria at 2.00 pm (AEDT) on Tuesday 27 November 2018.

The Explanatory Statement to this Notice of Annual General Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and Proxy Form are part of this Notice of Annual General Meeting.

Agenda

Annual Report

To table and consider the Annual Financial Report of the Company and its controlled entities for the year ended 30 June 2018, together with a Directors' report in relation to that financial year and the auditor's report on the Annual Financial Report.

Resolution 1 - Remuneration Report

To consider, and if thought fit, to pass the following resolution as a non-binding, advisory resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Report for the year ended 30 June 2018."

Voting Exclusion: The Company will disregard any votes cast (in any capacity) on Resolution 1 by or on behalf of the Chairperson (Leanne Graham) or by or on behalf of the Company's other Key Management Personnel (being Directors Justin Klintberg and Chris Mews (as well as former directors Russell Francis, Dan Rohr and Harry Karelis) ("KMP") or a KMP's closely related party unless the vote is cast as proxy for a person entitled to vote in accordance with the direction on the Proxy Form. Closely Related Party is defined in the Corporations Act 2001 (Cth) and includes spouse, dependant and certain other close family members as well as companies controlled by the KMP.

Resolution 2 – Re-Election of Director – Leanne Graham

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

"That Ms Graham, who retires in accordance with the Constitution and being eligible, offers herself for re-election, is elected as a Director."

Resolution 3 – Election of New Director – Justin Klintberg

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

"That Mr Justin Klintberg who was appointed a Director of the Company since the last Annual General Meeting, as required by the Constitution and being eligible, offers himself for election, is elected as a Director."

Resolution 4 – Election of New Director – Chris Mews

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

"That Mr Chris Mews who was appointed a Director of the Company since the last Annual General Meeting, as required by the Constitution and being eligible, offers himself for election, is elected as a Director."

Resolution 5 - Ratification of Capital Raising Placement

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue and allotment of 121,155,625 shares (and 34,615,892 free attaching options) in December 2017 at a subscription price of \$0.008 each on the terms and conditions set out in the Explanatory Statement forming part of this Notice of Meeting, is ratified and approved."

Voting Exclusion: *The Company will disregard any votes cast in favour of the resolution by any person who participated in this issue of shares or any associate of them or it. However, the Company need not disregard a vote if 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 it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Dated: 16 October 2018

BY ORDER OF THE BOARD

Catherine Anderson

Company Secretary

Explanatory Statement

Introduction

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Proxies

Please note that:

- (a) A member of the Company entitled to attend and vote at the General 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.

“Snap-shot” Time

The Company may specify a time, not more than 48 hours before the General Meeting, at which a “snap-shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the AGM.

The Directors have determined that all Shares that are quoted on ASX at 5.00pm AEDT on Monday 26 November 2018 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the Shares at that time.

Corporate Representative

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

Annual Report

There is no requirement for Shareholders to approve the Annual Financial Report, however Shareholders will be offered the following opportunities:

- (a) Discuss the Annual Financial Report for the financial year ended 30 June 2018 which is online at www.velpic.com or by contacting the registered office on 1300 835 742;
- (b) Ask questions or make 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 Chairman 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.

Resolution 1 – Remuneration Report

Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the Remuneration Report to the vote of Shareholders. The Annual Financial Report for the year ended 30 June 2018 contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive Directors.

The provisions of the Corporations Act provide that Resolution 1 need only be a non-binding, advisory vote of Shareholders.

Therefore, Resolution 1 is advisory only and does not bind the Directors. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report. The Board will, however, take the outcome of the vote into consideration when considering the remuneration policy.

The Board encourages all Shareholders to carefully read the Remuneration Report and if they have any questions to contact the Company before casting their vote.

Please note that a Chairman who is also a member of the Company's Key Management Personnel ("KMP") may vote undirected proxies on the non-binding resolution on executive remuneration if:

- (a) A Shareholder provides express consent in a proxy appointment for that person to exercise the proxy; and
- (b) The vote is not being cast on behalf of a shareholder who is a member of the KMP and whose remuneration details are included in the remuneration report, or a closely related party of such a member.

Please note that the KMP of the Company are its directors: Leanne Graham, Justin Klintberg and Chris Mews, and former directors Russell Francis, Dan Rohr and Harry Karelis. Under the Corporations Act, their "Closely Related Parties" are their respective spouses, dependants and certain other close family members, as well as companies controlled by them.

Resolution 2 – Re- Election of Leanne Graham

The Constitution requires that one third of the Directors must retire at each AGM (rounded to the nearest whole number). The Constitution provides that a Director who retires by rotation is eligible for re-election. Pursuant to the Constitution, Ms Graham is required to retire by rotation and seeks re-election accordingly.

Appointed to the Board of Directors of the Company as Chairperson on 22 October 2015, a summary of Ms Graham's qualifications and experience is as follows:

Ms Graham is an IT entrepreneur with over 30 years' at the highest levels in the software sector. As one of New Zealand's few female IT entrepreneurs and a former chief executive of a listed company on the New Zealand Stock Exchange, she has built a name for herself by enabling multiple cloud, mobility and Software-as-a -Service companies to maximise their global go to market opportunities. Leanne is also a director of iExecute SaaS, Chairperson of

APE Mobile and Non-Executive Director of BidEnergy Limited (ASX:Bid), an Australian based technology Company.

Ms Graham was the General Manager of Sales at the globally successful SaaS accounting software company, Xero, and was the architect of the Xero global sales strategy around 'recruit, educate and grow'; a key channel strategy used to build Xero's customer base in New Zealand and then in Australia, the United Kingdom and the United States. Leanne's strategy took Xero's New Zealand partner base to close to 100% of the country's accounting industry and grew revenues by 500%. Through her strategic investment company, Cloud Rainmakers Ltd, she assists technology companies to identify how they can develop strategic partnerships and disrupt an industry to become export successes.

Resolution 3 - Election of Justin Klintberg

The Constitution requires that any director appointed by the Board automatically retires at the next AGM and is eligible for election at that AGM. Mr Klintberg was appointed a Director of the Company on 3 April 2018. Pursuant to the Constitution therefore, Mr Klintberg retires and seeks election accordingly and a summary of his qualifications and experience is as follows:

Mr Klintberg has over 20 years of investment and capital markets experience and is currently Managing Director of Corporate Advisory firm, Merchant Advisory. Previously, he was founder and CIO of Kima Capital, a Pan Asian hedge fund (2009-2016) based in Hong Kong. Earlier in his career, he was a portfolio manager at a leading European-based manager, Marble Bar Asset Management, and before that as an adviser in Australia focusing on equity and equity derivatives.

Mr Klintberg is an experienced company director and currently sits on the Boards of E2 Metals Ltd (ASX:E2M) and Pro9 Global Limited. He has a Bachelor of Business from Deakin University majoring in accounting and finance, as well as a Graduate Diploma of Applied Finance and Investment.

Resolution 4 - Election of Chris Mews

The Constitution requires that any director appointed by the Board automatically retires at the next AGM and is eligible for election at that AGM. Mr Mews was appointed a Director of the Company on 13 July 2018. Pursuant to the Constitution therefore, Mr Mews retires and seeks election accordingly and a summary of his qualifications and experience is as follows:

Mr Mews is a CPA and holds a Bachelor of Business degree (Accounting) and is a Chartered Company Secretary. He has been in financial services for over 20 years and is experienced in the financial operation, governance and compliance of Managed Investment Schemes, ASX listed companies and unlisted companies.

Mr Mews has held senior positions in finance, corporate secretarial and compliance. In these roles he has been a member of senior management and participated in the due diligence and acquisition of Managed Investment Schemes and participated in various capital raisings for Managed Investment Schemes, ASX listed companies and unlisted companies.

Resolution 5 – Ratification of Capital Raising Placement

As announced to ASX on 27 November 2017, the Company issued 121,155,625 shares to professional and sophisticated investors at a subscription price of \$0.008 (.8 of a cent) per share, with the shares being issued on 7 December 2017 (“Placement”). As part of the Placement, 34,615,892 free attaching options were also issued, exercisable at 2 cents before 30 November 2019. These options have been listed on ASX.

Funds raised were applied towards the cash component of the consideration for the Company’s acquisition of an interest in Now Force, details of which were released to the market on 29 November 2017.

In making the Placement, the Company used its remaining placement capacity under Listing Rule 7.1, with the balance being issued under Listing Rule 7.1A as the Company had the capacity to issue additional shares pursuant to that Rule as a result of the approval obtained at the 2017 AGM. Listing Rule 7.1A gives the Company the ability to issue a further 10% of its issued capital in addition to the standard 15% permitted by Listing Rule 7.1.

Even where prior approval is not required, ASX Listing Rule 7.4 permits the ratification of prior issues of securities made without prior Shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1 or the 10% threshold set by Listing Rule 7.1A (as the case may be).

The Company confirms that the Placement shares did not breach either ASX Listing Rule 7.1 or 7.1A therefore even if Resolution 5 does not succeed, this Placement will stand as it was within the Company’s ability to make within the Listing Rules without shareholder approval.

The passage of Resolution 5 will “refresh” the Company’s Chapter 7 placement capacity. This will restore the Company’s discretionary power to issue further shares upto 15% of the issued capital under Listing Rule 7.1 without requiring Shareholder approval.

Technical Information Required by the Listing Rules

In compliance with the information requirements of Listing Rule 7.5 shareholders are advised of the following particulars in relation to Resolution 1:

1. Number of securities allotted:
121,151,625 ordinary shares (and 34,615,892 options)
2. Price at which the securities were issued:
\$0.008 (.8 cents) per share (options free attaching).
3. Terms of the securities:
The shares rank equally in all respects with the existing shares on issue. The options were issued on the terms set out in Annexure A.
4. Names of the allottees:
The shares were issued to professional and sophisticated investors at the discretion of the Board. None of these subscribers are related parties to the Company.

5. Intended use of funds raised:

Funds raised were applied towards the cash component of the consideration for Now Force as referred to above.

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

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

AGM or Annual General Meeting or Meeting means the annual general meeting of the Company to be held on Tuesday 27 November 2018.

ASX means ASX Limited (ACN 008 624 691).

Board means the board of Directors as at the date of this Notice.

Company means VPCL Limited (ACN 149 197 651).

Constitution means the constitution of the Company.

Corporate Representative means a person appointed by a corporate Shareholder to act as its corporate representative at the General Meeting.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

AEDT means Eastern States daylight savings time as observed in Melbourne, Victoria.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Listing Rules means the Listing Rules of ASX.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2018.

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

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

Shareholder means a shareholder of the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

Annexure A – Placement Free Attaching Option Terms (Resolution 5)

The terms and conditions of the Options are as follows:

- (a) Each New Option entitles the holder to acquire one fully paid Share in the Company.
- (b) The New Options are exercisable at any time on or prior to 5:00pm AWST on 30 November 2019 by completing an option exercise form and delivering it together with the payment for the number of Shares in respect of which the New Options are exercised to the registered office of the Company or to the Company's Share Registry.
- (c) The New Option exercise price is \$0.02 per New Option.
- (d) A New Option does not confer the right to a change in exercise price or a change in the number of underlying Shares over which the New Option can be exercised.
- (e) Shares issued on the exercise of the New Options will be issued no more than fourteen (14) days after receipt of a properly executed exercise notice and application monies. Shares allotted pursuant to the exercise of a New Option will rank equally with the then issued ordinary shares of the Company in all respects.
- (f) New Option holders shall be permitted to participate in new issues of securities on the prior exercise price of options in which case the New Option holders shall be afforded the period of notice as required by the Listing Rules.
- (g) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the New Option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- (h) If there is a bonus issue to shareholders, the number of shares over which the New Option is exercisable may be increased by the number of shares which the holder of the New Option would have received if the New Option had been exercised before the record date for the bonus issue.
- (i) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the New Option may be reduced in accordance with Listing Rule 6.22.
- (j) Application will be made to list the New Options on ASX.