

## Seeing Machines Limited

ABN 34 093 877 331

### Notice of general meeting

Notice is given that a general meeting of the shareholders of Seeing Machines Limited (**the Company**) will be held at the offices of the Company at 80 Mildura Street, Fyshwick ACT 2609, Australia, on 23 April 2019 at 11.00am Australian Eastern Standard Time (AEST) for the purposes set out below in this notice of meeting.

#### Agenda

##### Item 1. **Approval of Placing and Subscription**

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

*That, for the purposes of Rule 2.1(b) of the Constitution and for all other purposes, the proposed issue of 925,608,334 Ordinary Shares (comprising the Placing Shares and Subscription Shares) on the terms set out in the Explanatory Notes is approved.*

##### **Voting exclusion**

Pursuant to Rule 2.1(e) of the Constitution, the following persons may not vote on Item 1:

- (a) a person who may participate in the proposed issue of Placing Shares or Subscription Shares;
- (b) a person who might obtain a benefit from Item 1 being passed (other than a benefit solely in the capacity of a holder of ordinary shares); or
- (c) a person who is an associate of any of the persons in (a) or (b).

Any vote cast by any such person will be disregarded.

##### Item 2. **Approval of previous issue of securities as an exception to the 15% cap**

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

*That, for the purposes of Rules 2.1(b) and 2.1(c)(xiii) of the Constitution and for all other purposes, the prior issue by the Company of performance rights in respect of up to 63,176,250 Ordinary Shares (and the resultant issue of up to 63,176,250 Ordinary Shares) on the terms set out in the Explanatory Notes is approved.*

##### **Voting exclusion**

Pursuant to Rule 2.1(e) of the Constitution, the following persons may not vote on Item 2:

- (a) a person who may participate in the issue of the shares the subject of Item 2;
- (b) a person who might obtain a benefit from Item 2 being passed (other than a benefit solely in the capacity of a holder of ordinary shares); or
- (c) a person who is an associate of any of the persons in (a) or (b).

Any vote cast by any such person will be disregarded.

##### Item 3. **Approval of issues of securities under employee share plan**

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

*That, for the purposes of Rules 2.1(b) and 2.1(c)(viii) of the Constitution and for all other purposes, any and all issues of securities during the ensuing three year period under the Company's employee share plan be approved, as an exception to the rule in Rule 2.1(b) of the Constitution.*

##### **Voting exclusion**

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Pursuant to Rule 2.1(e) of the Constitution, the following persons may not vote on Item 3:

- (a) a person who may participate in the issue of the shares the subject of Item 3;
- (b) a person who might obtain a benefit from Item 3 being passed (other than a benefit solely in the capacity of a holder of ordinary shares); or
- (c) a person who is an associate of any of the persons in (a) or (b).

Any vote cast by any such person will be disregarded.

By order of the directors

Ken Kroeger  
Director, Seeing Machines Limited  
25 March 2019

(Note – Capitalised terms used in this notice of meeting and not otherwise defined shall have the meanings given to them in the Explanatory Notes.)

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## Voting information

This section explains how shareholders can vote at the meeting. Part A is for shareholders who have share certificates (i.e. they do not hold depositary interests on the AIM market). Part B is for investors who hold depositary interests on the AIM market. If you are not sure which part relates to your shareholding, please contact our share registry, Computershare:

<b>Australia</b>	<b>United Kingdom</b>
Computershare Investor Services Pty Limited GPO Box 2975 Melbourne, Victoria, 3001 AUSTRALIA Phone 1800 850 505 or +61 (0)3 9415 4000 Email <a href="mailto:web.queries@computershare.com.au">web.queries@computershare.com.au</a> Web <a href="http://www.computershare.com">www.computershare.com</a>	Computershare Investor Services PLC The Pavilions, Bridgwater Rd Bristol BS99 6ZY United Kingdom Phone +44 (0)870 702 0000 Email <a href="mailto:web.queries@computershare.co.uk">web.queries@computershare.co.uk</a> Web <a href="http://www.computershare.com">www.computershare.com</a>

### Part A Shareholders who have share certificates

#### Persons entitled to vote

The directors have determined that the shareholding of each shareholder for the purpose of ascertaining the voting entitlements for the general meeting will be as it appears in the share register of the Company at 7.00pm (AEST) on 22 April 2019. Accordingly, transfers registered after that time will be disregarded in determining shareholders entitled to attend and vote at the meeting.

#### Proxies

A shareholder entitled to attend and vote is entitled to appoint a proxy (or proxies) to attend and vote instead of the shareholder. The proxy need not be a shareholder of the Company.

To appoint a proxy, shareholders should complete the proxy form accompanying this notice of meeting. The proxy form must be signed by the shareholder or an attorney duly authorised in writing. For the appointment of a proxy to be effective, the proxy form, and, if applicable, the power of attorney or other authority (or a certified copy of the relevant document) under which the proxy form is signed, must be received by the Company at least 48 hours before the meeting. Any proxy form received after that time will not be valid for the scheduled meeting. Shareholders may lodge documentation at the Company's registered office or the share registry of the Company, Computershare Investor Services Pty. Limited located at Yarra Falls, 452 Johnston Street Abbotsford Victoria 3067 (or by post to Computershare Investor Services Pty. Limited GPO Box 242, Melbourne, Victoria 3001, or by facsimile to Computershare on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia), or by email to Computershare on [proxies@computershare.com.au](mailto:proxies@computershare.com.au)).

In appointing a proxy, shareholders should consider how they wish to direct the proxy to vote. A shareholder can direct a proxy to vote "for" or "against", or abstain from voting, on the proposed resolution, or can leave the decision to the appointed proxy after discussion at the meeting.

If a shareholder is entitled to cast two or more votes, he/she may appoint two proxies and may specify on the proxy form the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the shareholder's votes.

If the chairman of the meeting is appointed, or appointed by default, as the proxy of a shareholder, and that shareholder has not directed the proxy how to vote on his/her proxy form, that shareholder acknowledges that (subject to all applicable laws) the chairman of the meeting may exercise that proxy, even if he has an interest in the outcome of a particular item of business, and that the votes cast by him other than as proxy would be disregarded because of that interest.

The chairman of the meeting intends to vote undirected proxies in favour of each item of business (subject to all applicable laws).

Section 250BD of the *Corporations Act 2001* (Cth) provides that a person appointed as a proxy must not vote, on the basis of that appointment, on a resolution connected directly or indirectly with the remuneration of a member of the key management personnel for the Company if:

- (a) the person is either a member of the key management personnel for the Company or a closely related party of a member of the key management personnel for the Company; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

This does not apply if:

- (a) the person is the chair of the meeting at which the resolution is voted on; and
- (b) the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

### **Part B            AIM Depositary Interest holders**

#### **Persons entitled to vote**

The form of instruction accompanying this notice of meeting must be signed by the depositary interest holder or an attorney duly authorised in writing and deposited at the Company's registered office or the office of the Depositary, Computershare Investor Services PLC, located at The Pavilions, Bridgwater Road, Bristol BS99 6ZY by 4.00pm (BST) on 16 April 2019. Any form of instruction received after that time will not be valid for the scheduled meeting.

#### **CREST voting**

Holders of depositary interests in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a "**CREST Voting Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)).

To be effective, the CREST voting instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 4.00pm (BST) on 16 April 2019.

For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST voting instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST voting instruction by enquiry to CREST in the manner prescribed by CREST. Holders of depositary interests in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST voting instructions. It is the responsibility of the depositary interest holder concerned to take (or, if the depositary interest holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST voting instruction is transmitted by means of the CREST voting service by any particular time. In this connection, depositary interest holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

## Explanatory Notes

These Explanatory Notes have been prepared to provide material information to enable shareholders to make an informed decision in relation to the business to be conducted at the general meeting of the Company. These Explanatory Notes form part of the notice of meeting.

### Item 1. Approval of Placing and Subscription

#### Overview

On 20 March 2019, the Company announced that it had conditionally raised £27.5 million (approximately AUD\$51.3 million), before expenses, through a placing and subscription. Canaccord Genuity Limited ("**Canaccord Genuity**") and Cenkos Securities plc ("**Cenkos**") (the "**Bookrunners**"), as the Company's brokers, conducted a placing of 780,666,667 new ordinary shares in the capital of the Company ("**Ordinary Shares**") (the "**Placing Shares**" and the "**Placing**") with institutional investors at a price of 3 pence per share (the "**Placing Price**"). In addition, 144,941,667 Ordinary Shares have been subscribed for (the "**Subscription Shares**" and the "**Subscription**") at the Placing Price by the Company's largest shareholder, V S International Venture Pte Ltd (as well as two of its affiliates), as well as by various directors and senior management of the Group.

In addition, the Company is providing an opportunity to certain existing shareholders (with a registered address in the UK, Ireland or the Channel Islands) to raise up to a further £6.8 million (approximately AUD\$12.7 million) at the Placing Price under an offer to such existing shareholders without a prospectus or other disclosure document (the "**Offer**"). The Offer is conditional on shareholders approving the issue of Ordinary Shares in connection with the Placing and the Subscription.

The Placing and the Subscription are collectively referred to in these Explanatory Notes as the "**Fundraising**". The Fundraising comprises the following tranches. The issue price is the same for all tranches:

- **Placing** – proposed issue of 780,666,667 Ordinary Shares to institutional investors through the Bookrunners.
- **Subscription** - proposed issue of 136,000,000 Ordinary Shares to V S International Venture Pte Ltd (and two of its affiliates) and proposed issue of 8,941,667 Ordinary Shares to various directors and senior management of the Group.

The net proceeds of the Fundraising and the Offer will be used to develop the Company's core platform technology, support the scaling up of capabilities in the automotive division and continue the ongoing design development of existing and next generation products. Further detail is set out in the Company's announcement of the Fundraising and the Offer. A copy of that announcement is available at <https://www.seeingmachines.com/investors/announcements/>.

(Please note that all foreign currency conversions in these Explanatory Notes are approximations based on the GBP/AUD exchange rate as at the date of this document, and are therefore subject to fluctuation.)

#### 15% cap

Subject to certain exceptions, the Company's constitution (the "**Constitution**") generally requires shareholder approval for an issue of shares if, over the preceding 12 month period, the number of shares issued is more than **15%** of the number of Ordinary Shares on issue (Rule 2.1(b)).

As the number of the Placing Shares and Subscription Shares is greater than this 15% cap, directors require shareholder approval to issue the Placing Shares and Subscription Shares. Shareholder approval is not sought in respect of the Offer. However the Offer is conditional on shareholders approving the Placing and Subscription.)

#### Details

	<i>Placing</i>	<i>Subscription</i>
Terms of the securities:	Ordinary Shares	
Date securities will be issued:	24 April 2019	

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Issue price:	3 pence per share	
Number of securities:	780,666,667	144,941,667 Ordinary Shares
Allottees:	"Relevant Persons", as defined in the Company's announcement of the Fundraising and the Offer dated 20 March 2019.	136,000,000 Ordinary Shares to V S International Venture Pte Ltd and two of its affiliates. 8,941,667 Ordinary Shares to various directors and senior management of the Group.

If Item 1 is passed, the Placing and Subscription will proceed shortly after the general meeting and will raise approximately £27.5 million (approximately AUD\$51.3 million) before expenses, which the directors consider is necessary to accommodate the Company's working capital requirements and future development strategies (and which will otherwise be used for the purposes described above).

The board believes that the Placing and the Subscription are in the best interests of the Company and all shareholders and can place the Company in a stronger position to capitalise on the significant global opportunities for its products.

If Item 1 is not passed, the Placing and Subscription will not proceed. The Offer to existing shareholders will also not proceed. The directors will need to consider alternative methods of raising the capital required for the Company to continue to fund its operations as a going concern.

### **Board's recommendation**

The board recommends that shareholders vote in favour of Item 1 for the reasons set out above. As non-executive director Mr YK Ng is an associate of V S International Venture Pte Ltd. and its two affiliates, he abstained from the board's recommendation concerning the Subscription. Also, as proposed allottees of Ordinary Shares (or their associates) in connection with the Subscription, each of Dr Rudolph Berger, Les Carmichael, Jack Boyer, Luke Oxenham and Kate Hill also abstained from the board's recommendation concerning the Subscription.

### **Voting exclusions**

Pursuant to Rule 2.1(e) of the Constitution, the following persons may not vote on Item 1:

- (a) a person who may participate in the proposed issue of Placing Shares or Subscription Shares;
- (b) a person who might obtain a benefit from Item 1 being passed (other than a benefit solely in the capacity of a holder of ordinary shares); or
- (c) a person who is an associate of any of the persons in (a) or (b).

Any vote cast by any such person will be disregarded.

## **Item 2. Approval of previous issue of securities as an exception to the 15% cap**

### **Overview**

As announced by the Company on 15 June 2018, the Company made a conditional award of performance rights in respect of up to 63,176,250 Ordinary Shares in the Company to six key members of staff ("**Award**"), including Paul Angelatos, SVP and GM Fleet, Rail and Off-Road Applications. The one-off Award was in recognition of those individuals' significant contribution, expertise, experience and performance in the Company's current achievements, including recently announced automotive OEM programs, as well as retaining this talent for future delivery of current projects and winning new programs. The performance rights issued pursuant to the Award will vest annually in three equal tranches (subject to continued

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employment) with the first vesting in October 2018. In the case of the two founders included in this group of individuals, the Company's Chief Technology Officer and Chief Scientific Officer, the Award will be accelerated to vest in three tranches starting in October 2018, and be fully vested by 1 April 2019. Each performance right entitles the holder to receive one fully paid Ordinary Share in the Company at no cost. The maximum number of Ordinary Shares (being 63,176,250 Ordinary Shares) which may be issued to these staff pursuant to the Award (at the time of announcement) represented 2.8% of the Company's total issued shares.

In connection with the Award, the board previously passed a unanimous resolution (in accordance with Rule 6.14 of the Constitution) approving the issue of the performance rights (and the resultant issue of the Ordinary Shares) to relevant employees of the Company and its related bodies corporate ("**Group**") in accordance with the terms of the Award. These performance rights were agreed to be granted on or about 15 June 2018 to employees of the Group under the Company's employee share plan, and the Ordinary Shares will be issued in accordance with the terms of the Award.

### **15% cap**

As noted above, subject to certain exceptions, the Constitution generally requires shareholder approval for an issue of shares if, over the preceding 12 month period, the number of shares issued is more than 15% of the number of Ordinary Shares on issue (Rule 2.1(b)). The number of Ordinary Shares to be issued in accordance with the Award (as listed above) is less than 15% of the number of Ordinary Shares currently on issue, and therefore shareholder approval was not required for the issue of those performance rights (and similarly, would not be required for the issue of the resultant Ordinary Shares). As such, the board unanimously approved the issue of the performance rights and the Ordinary Shares in the manner described above.

Notwithstanding this, Rule 2.1(c) of the Constitution provides a number of exceptions to the restriction in Rule 2.1(b). One of those exceptions is an issue of securities which has been approved by the Company in general meeting for any other purpose (Rule 2.1(c)(xiii)).

Item 2 seeks shareholder approval in respect of the previous issue of the performance rights (and the resultant issue of the Ordinary Shares) as outlined above, to ensure that such issue of performance rights and Ordinary Shares does not reduce the Company's placement capacity over the subsequent 12 months under the 15% cap.

The outcome of Item 2 will have no effect on the issue of the performance rights (or the Ordinary Shares) listed above, as the performance rights have already been issued (and the Ordinary Shares have already been agreed to be issued). However, if Item 2 is passed, the Company will retain the maximum degree of flexibility to issue further securities (if required) up to the 15% cap over the subsequent 12 month period. If Item 2 is passed, the above performance rights and Ordinary Shares will not be counted towards the 15% cap under Rule 2.1(b) of the Constitution. The directors believe that it is in the best interests of the Company for the Company to maintain the greatest degree of flexibility under its placement capacity in the context of the 15% cap, so that the Company can raise capital and take advantage of commercial opportunities as and when they arise.

The directors also consider this is necessary to accommodate the Company's working capital requirements and future development strategies.

If Item 2 is not passed, it will limit the ability of the Company to issue securities in the 12 months following the issue of the Ordinary Shares to employees as listed above (without prior shareholder approval or otherwise under an exception under Rule 2.1(c) of the Constitution).

### **Board's recommendation**

The board recommends that shareholders vote in favour of Item 2 for the reasons set out above.

### **Voting exclusions**

Pursuant to Rule 2.1(e) of the Constitution, the following persons may not vote on Item 2:

- (a) a person who may participate in the issue of the shares the subject of Item 2;

- (b) a person who might obtain a benefit from Item 2 being passed (other than a benefit solely in the capacity of a holder of ordinary shares); or
- (c) a person who is an associate of any of the persons in (a) or (b).

Any vote cast by any such person will be disregarded.

### **Item 3. Approval of issues of securities under employee share plan**

#### **Overview**

The Company has an employee share plan in place, which provides for the issue of securities to employees of the Group on the terms set out below.

- 1. Eligibility:** Subject to the rules of the employee share plan and subject to all applicable laws, each employee or officer (including director) of any member of the Group who is determined by the board to be an "Eligible Employee" for the purposes of the plan may participate. The plan contains provisions regarding dismissal or termination of staff.
- 2. Invitation:** Subject to the rules of the plan, the board may from time to time, in its absolute discretion, invite any Eligible Employee selected by it to participate in the plan by inviting applications for shares on the terms set out in the plan and on such other terms and conditions as the board determines. As part of this invitation, the board must give details to each Eligible Employee of either (i) the number or value of shares to which the invitation relates or (ii) the basis on which the number or value of shares to which the invitation relates is to be determined, as well as either the allocation date or the basis on which the allocation date is to be determined.
- 3. Issue of securities and share ranking:** The plan provides for the issue of Ordinary Shares to Eligible Employees, which are to rank equally in all respects with all other Ordinary Shares on issue in the Company (subject to the terms of the plan and any applicable disposal restrictions).
- 4. Quotation of securities:** Where shares acquired under the plan are not yet quoted on AIM, the Company must procure that the Company apply for quotation of those shares on AIM as soon as practicable after the allotment and issue or acquisition (as applicable) of those shares, so long as shares of the Company are quoted on AIM at that time.
- 5. Restrictions on transfer:** The board may, at any time, in its discretion, impose restrictions on the disposal of shares by a participant. The board may, in its absolute discretion, determine whether to release any shares allocated under the plan from any disposal restrictions or waive the restrictions if a "Change of Control Event" occurs (as defined in the plan) or if there is an impending "Change of Control Event" (as defined in the plan).
- 6. Limit on issues under the plan:** The board will not, without the approval of the Company in a general meeting, issue shares under the plan in any 12 month period in excess of 5% of the issued share capital of the Company.
- 7. Adjustment for reconstructions:** In the event of any reconstruction (including consolidation, subdivision, reduction, capital return, buy back or cancellation) of the issued share capital of the Company, the Company must procure that the number of shares to which each participant is entitled and/or the consideration (if any) payable by the participant for the shares must be reconstructed accordingly, in a manner that does not result in any additional benefits being conferred on participants that are not conferred on shareholders of the Company and otherwise complies with the AIM Rules.
- 8. Amendments:** Subject to applicable laws, the plan rules may be amended or supplemented at any time by resolution of the board. The plan rules otherwise confer wide-ranging powers on the board in connection with administration of the plan. In addition, the board may terminate or suspend the operation of the plan at any time (and in the event of a suspension or termination, the rules will continue to operate with respect to any shares

acquired by a participant under the plan prior to that suspension or termination).

### **15% cap**

As noted above, subject to certain exceptions, the Constitution generally requires shareholder approval for an issue of shares if, over the preceding 12 month period, the number of shares issued is more than 15% of the number of Ordinary Shares on issue (Rule 2.1(b)).

Notwithstanding this, Rule 2.1(c) of the Constitution provides a number of exceptions to the restriction in Rule 2.1(b). One of those exceptions is an issue of securities under an employee share plan if, within three years before the date of the issue, the Company in general meeting has approved the issue of securities under the scheme as an exception to Rule 2.1(b) (Rule 2.1(c)(viii)).

Item 3 seeks shareholder approval for issues of securities under the Company's employee share plan at any time during the ensuing three year period, to ensure that any such issues of securities will not require shareholder approval and will not reduce the Company's placement capacity under the 15% cap during that period.

If Item 3 is passed, the Company will retain the maximum degree of flexibility to issue further securities (if required) without seeking shareholder approval, and without having any impact on the 15% cap. If Item 3 is passed, any such securities issued will not be counted towards the 15% cap under Rule 2.1(b) of the Constitution. The directors believe that it is in the best interests of the Company for the Company to maintain the greatest degree of flexibility under its placement capacity in the context of the 15% cap, so that the Company can issue securities to employees of the Group as a means of attracting and retaining the best talent (but without having an impact on the Company's ability to otherwise issue securities).

If Item 3 is not passed, the board will still be able to issue securities under the employee share plan, subject to the 15% cap described above. However, it will limit the ability of the Company to otherwise issue securities (including under the employee share plan), as any proposed issue of securities will need to fall within the 15% cap under Rule 2.1(b) of the Constitution and will erode any further placement capacity available to be issued by the Company. This will be particularly relevant where the Company raises capital at a future date and issues securities without prior shareholder approval or otherwise under an exception under Rule 2.1(c) of the Constitution.

### **Board's recommendation**

As the directors may be entitled to participate in the employee share plan, the board makes no recommendation in respect of Item 3.

### **Voting exclusions**

Pursuant to Rule 2.1(e) of the Constitution, the following persons may not vote on Item 3:

- (a) a person who may participate in the issue of the shares the subject of Item 3;
- (b) a person who might obtain a benefit from Item 3 being passed (other than a benefit solely in the capacity of a holder of ordinary shares); or
- (c) a person who is an associate of any of the persons in (a) or (b).

Any vote cast by any such person will be disregarded.