



JOHN.BRIDGEMAN

JOHN BRIDGEMAN LIMITED
ACN 603 477 185
(NSX:JBL)

19 May 2017

Notice of Meeting and Explanatory Memorandum

Please see attached Notice of Meeting and Explanatory Memorandum for the John Bridgeman Limited Extraordinary General Meeting to be held on Wednesday 21 June 2017 at 10.00am (Brisbane time) at the Queensland Club, 19 George Street, Brisbane QLD, which is being sent to shareholders today.

Yours sincerely

Stuart McAuliffe
Managing Director
John Bridgeman Limited
E: stuart@johnbridgeman.com.au



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John Bridgeman Limited

ACN 603 477 185

Notice of Extraordinary General Meeting

Notice is given that the Extraordinary General Meeting of John Bridgeman Limited (**Company**) will be held on **Wednesday 21 June 2017 at 10.00am** (Brisbane time) at the Queensland Club, 19 George Street, Brisbane QLD 4000.

SPECIAL BUSINESS

Resolution 1: Ratification of issue of Convertible Notes

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

"That, for the purposes of NSX Listing Rule 6.25 and for all other purposes, members ratify and approve the issue of 2,600,000 Convertible Notes to sophisticated and professional investors to raise \$4,108,000 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form to vote as the proxy decides.

Resolution 2: Approval for issue of shares

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

"That for the purposes of NSX Listing Rule 6.25 and for all other purposes, approval is given for the Company to issue up to 5,294,117 fully paid ordinary shares to sophisticated and professional investors to raise \$8,999,998.90 on the terms and conditions set out in the Explanatory Statement".

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who may participate, or has agreed to participate in the proposed issue and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary shares) if the Resolution is passed, and any associate of any such person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form to vote as the proxy decides.

By order of the Board of Directors

Jody Wright
Company Secretary
19 May 2017



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Entitlement to vote

The Directors have determined that, for the purpose of voting at the Meeting, shares in the Company will be taken to be held by the Shareholders on 19 June 2017 at 7.00pm (Sydney time).

PROXIES

In accordance with Section 249L of the *Corporations Act 2001*, Shareholders are advised that:

- each Shareholder who is entitled to attend and cast a vote at the meeting has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company;
- a Shareholder who is 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. If no proportion or number is specified, then in accordance with Section 249X(3) of the *Corporations Act*, each proxy may exercise half of the votes. Fractions are disregarded; and
- a corporation may elect to appoint a representative rather than a proxy, in accordance with the *Corporations Act*. In this case, the Company will require written proof of the representative's appointment, which must be lodged with or presented to the Company prior to the meeting.

If you wish to appoint a proxy and are entitled to do so, please complete and return the attached proxy form.

The instrument appointing the proxy must be received by the Company's Registry at the address specified below at least 48 hours before the time notified for the Meeting (proxy forms can be lodged by facsimile).

Postal Address

Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235

Address

Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

*during business hours Monday to Friday 9.00am -5.00pm

Facsimile Number

02 9287 0309



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EXPLANATORY STATEMENT

John Bridgeman Limited ACN 603 477 185

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting. It forms part of the Notice of Meeting and must be read together with that Notice.

Purpose of the Meeting

The purpose of the Meeting is to consider and vote on the Resolutions.

Entire document

Shareholders are encouraged to read this document in its entirety before making a decision on how to vote on the Resolutions being considered at the Meeting. If you have any doubt how to deal with this document, please consult your legal, financial or other professional advisor.

Glossary

Certain terms and abbreviations used in the Explanatory Statement have defined meanings, which are set out in the Glossary contained in section 4 of this Explanatory Statement.

1. BACKGROUND

On 6 April 2017, John Bridgeman Limited announced that it had undertaken a placement of 2,600,000 unsecured, unlisted Convertible Notes to sophisticated and professional investors at \$1.58 per Convertible Note to raise \$4,108,000 (**Note Placement**).

The terms on which the Convertible Notes were issued under the Note Placement are outlined in the Cleansing Notice released to the NSX on 6 April 2017, and summarised in Annexure A.

The Company now proposes to undertake a placement of up to 5,294,117 fully paid ordinary shares to sophisticated and professional investors to raise up to \$8,999,998.90 (**Proposed Placement**).

The terms on which the Shares will be issued under the Proposed Placement are the same terms on which shares were issued under the Company's Prospectus lodged with ASIC on 31 March 2015.

If Resolutions 1 and 2 are approved, the Note Placement will be ratified and the Company will complete the Proposed Placement and raise a further amount of up to \$8,999,998.90 from the issue of up to 5,294,117 Shares. If Resolutions 1 and 2 are approved, the Shares issued under the Note Placement and the Proposed Placement will not be counted within the limit of 15% of the issued capital of the Company that may be placed by the Company without shareholder approval over the next 12 month period.

2. RATIFICATION OF ISSUE OF CONVERTIBLE NOTES

Summary

On 6 April 2017, John Bridgeman Limited announced that it had undertaken an issue of unsecured, unlisted Convertible Notes to sophisticated and professional investors. If converted into Shares, the Convertible Notes would represent 2,600,000 Shares, which is equivalent to approximately 13.92% of the Company's Shares currently on issue.

Shareholder ratification

NSX Listing Rule 6.25 provides that a listed 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 equity securities in the same class on issue at the commencement of that 12 month period.



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The Convertible Notes are a separate class of securities. However, any Shares issued upon conversion will rank equally with the Company's ordinary Shares.

By ratifying the Note Placement, the Company will refresh its ability to issue equity securities in the same class in the future up to the 15% annual placement capacity set out in NSX Listing Rule 6.25 without the requirement to obtain prior Shareholder approval.

The following information concerning the Note Placement is provided:

Number of Convertible Notes issued:	2,600,000 Convertible Notes
Price at which the Convertible Notes were issued:	\$1.58 per Convertible Note
Allottees:	Sophisticated and professional investors
Conversion rate:	The Convertible Notes are convertible on or before the Maturity Date at a ratio of one ordinary share for each Convertible Note (subject to any capital adjustments)
Key terms of the Convertible Notes:	Type: Unsecured convertible notes Maturity Date: 6 April 2022 Interest: 8% per annum Quotation: Unlisted
Intended use of the funds raised:	To fund future potential investment opportunities
Voting exclusion statement:	A voting exclusion statement relating to Resolution 1 is included in the Notice of Meeting

The Directors recommend you vote in favour of this resolution.

3. RESOLUTION 2: APPROVAL FOR ISSUE OF SHARES

Summary

The Company proposes to undertake a further placement of up to 5,294,117 fully paid ordinary shares to sophisticated and professional investors to raise up to \$8,999,998.90 (**Proposed Placement**).

Shareholder approval

Because the Proposed Placement falls outside the Company's 15% placement capacity under NSX Listing Rule 6.25, shareholder approval is required.

The following information concerning the Proposed Placement is provided:

Number of securities to be issued:	Up to 5,294,117 ordinary Shares
Proposed date of issue:	Within three months after the date of the Meeting
Issue price:	\$1.70 per Share
Proposed allottees:	Sophisticated and professional investors



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Terms of the Shares:	The Shares will rank equally in all respects with the existing fully paid ordinary shares on issue
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The use or intended use of the funds raised:	To fund future investments and acquisitions
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Voting exclusion statement:	A voting exclusion statement relating to Resolution 2 is included in the Notice of Meeting
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The Directors recommend you vote in favour of this Resolution

4. GLOSSARY

Term	Definition
Company	John Bridgeman Limited ACN 603 477 185
Convertible Note	The convertible notes issued by the Company, the terms of which were announced to the market on 6 April 2017 and summarised in Annexure A
Director	A director of the Company
Explanatory Statement	The explanatory statement accompanying and forming part of the Notice of Meeting
Listing Rules	The listing rules of NSX as applicable to the Company from time to time
Maturity Date	Means the maturity date of the Convertible Notes, being 6 April 2022
Meeting	The general meeting of the Company to be held at the time and place specified in the Notice of Meeting
Note Placement	The placement of Convertible Notes by the Company announced to the market on 6 April 2017
Notice of Meeting	This notice of meeting and accompanying Explanatory Statement
NSX	National Stock Exchange of Australia Limited ABN 11 000 902 063, or the market operated by it as the context requires
Proposed Placement	The proposed placement described in section 3 of the Explanatory Statement
Proxy Form	The form that accompanies the Notice of Meeting
Resolutions	The resolutions to be put to Shareholders at the Meeting, as set out in the Notice of Meeting
Share	A fully paid ordinary share in the capital of the Company
Shareholder	A holder of a Share

Annexure A

Terms of Convertible Notes

The following is a broad summary of the rights, privileges and restrictions attaching to the Convertible Notes. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the Noteholders.

Term	Description
Issuer	John Bridgeman Limited ACN 603 477 185
Issue Date	6 April 2016
Eligibility	The Offer was made to sophisticated and professional investors for the purposes of section 708 of the Corporations Act as at the date of acceptance of the Offer.
Face Value	The Convertible Notes each have a \$1.58 face value to raise a principal amount of \$4,108,000.
Maturity Date	6 April 2022 being the fifth anniversary of the Issue Date.
Ranking	The Convertible Notes rank for payment with all other unsecured creditors and obligations of the Company, but prior to shareholders' rights to return of capital paid up on their Shares.
Interest	The Company must pay interest in arrears on the Face Value at 8% per annum, paid on each of the stated Interest Payment Dates, being dates every six months following the Issue Date until the earlier of the Maturity Date or the request of the Noteholder to the Company to convert the Convertible Notes.
Conversion Rights	Convertible Notes may be converted at any time up until the Maturity Date in accordance with a conversion notice given to the Company. A conversion notice may only be given for the lesser of the number of Notes which have an aggregate Face Value of \$50,000 and the balance of the relevant Noteholder's holding of Convertible Notes.
Conversion Ratio	1 Share issued for every Convertible Note converted, subject to any adjustments to the Conversion Ratio as outlined below.
Adjustment to Conversion Ratio for reorganisation of capital	If there is a reconstruction (including consolidation, subdivision or reduction) of the issued capital of the Company, the basis for conversion of the Convertible Notes will be reconstructed in the same proportion as the issued capital of the Company is reconstructed, and will be in a manner which will not result in any additional benefits being conferred on the Noteholder which are not conferred on the shareholders of the Company (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the reconstruction of capital), nor any benefits being taken away from the Noteholder, but in all other respects the terms for conversion of the Convertible Notes will remain unchanged.
Adjustment to Conversion Ratio for a pro rata issue	If the Company undertakes a <i>pro rata</i> offer (excluding a bonus issue) to Shareholders, then the Conversion Ratio must be adjusted in accordance with the following formula: $NR = OR + E[P - (S+O)]/N+1$ Where: NR = the new Conversion Ratio of the Notes. OR = the old Conversion Ratio of the Note prior to the pro rata offer. E = the number of shares into which one Note is Convertible.

Term	Description
	<p>P = average market price per share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex-rights date or ex-entitlements date.</p> <p>S = the subscription price of a share under the pro rata issue.</p> <p>O= the dividend due but not yet paid on the existing underlying shares (except those to be issued under the pro rata issue).</p> <p>N = the number of shares with rights or entitlements that must be held to receive a right to 1 new share.</p>
Adjustment to Conversion Ratio for a bonus issue	If a bonus issue of Shares is made by the Company, then the number of Shares to be issued on conversion of a Convertible Note will be increased by the number of bonus shares that the Noteholder would have received if the Convertible Note had been exercised prior to the record date for the bonus issue.
Conversion Shares	Conversion Shares issued upon conversion of a Convertible Note will be fully paid ordinary Shares and rank equally with all other fully paid Shares from their date of issue.
Redemption	<p>All Convertible Notes which have not been otherwise redeemed or converted on the Maturity Date, and which are not the subject of an outstanding conversion notice, shall be redeemed.</p> <p>Upon the occurrence of a Takeover Event the Company may redeem all (but not some) of the Convertible Notes.</p> <p>Takeover Event means that if at any time on or before the Maturity Date, an off market bid, a market bid, scheme of arrangement, or offer or invitation is made to all holders of ordinary Shares to purchase or otherwise acquire ordinary Shares from them within a specified period and the bid, scheme or offer becomes unconditional, and the offeror has at least 50% of the voting power (as that term is defined by the Corporations Act) in the Company.</p>
Open market purchase	The Company and any of the Company's subsidiaries may at any time purchase Convertible Notes in the open market or otherwise and at any price. Convertible Notes purchased may be held, resold or cancelled at the discretion of the purchaser (and, if the Convertible Notes are to be cancelled, the Company), subject to compliance with any applicable law or requirement of NSX.
Transferability	<p>The Convertible Notes may be transferred in accordance with written notice to the Company signed by the transferor and transferee, subject to the transferee warranting and representing to the Company (in a form satisfactory to the Company) that the transferee:</p> <p>(1) is aware that no disclosure document has been prepared in connection with the issue of the Notes; and</p> <p>(2) is a Sophisticated Investor or Professional Investor within the meaning of sections 9 and 708, as applicable, of the Corporations Act.</p>
Rights of Noteholder	<p>The Notes confer no rights on a Holder:</p> <p>(a) to vote at any meeting of Shareholders of the Company, although Noteholders may attend meetings of Shareholders at the discretion of the chairman of the relevant meeting of Shareholders;</p> <p>(b) to subscribe for new securities or to participate in any bonus issues of securities of the Company; or</p> <p>(c) to otherwise participate in the profits or property of the Company, except as set out in these Terms of Issue.</p>