



# **NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS**

## **Date of Meeting**

17 November 2016

## **Time of Meeting**

10.00 am (Sydney time)

## **Place of Meeting**

Warrane Theatre Room  
Museum of Sydney  
Cnr Phillip and Bridge Streets  
Sydney, NSW 2000

## **A Proxy Form is enclosed**

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

## INVITATION FROM THE CHAIRMAN

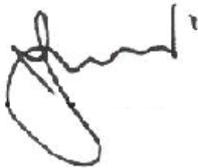
18 October 2016

Dear Shareholder

I have pleasure in inviting you to the 2016 Annual General Meeting of Shareholders of Nearmap Ltd, to be held at the Warrane Theatre Room, Museum of Sydney, Cnr Phillip and Bridge Streets, Sydney, NSW at 10.00 am (Sydney time) on 17 November 2016. The Notice of Annual General Meeting, including Proxy Form, is enclosed.

Your vote is important and therefore if you are unable to attend the meeting, I encourage you to complete and return the enclosed Proxy Form. You may appoint an individual of your choice as your proxy or, if you prefer, you may appoint the person chairing the meeting. Your completed Proxy Form must be lodged with the Company's share registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 or by fax to 1800 783 447 or (61 3) 9473 2555 by 10.00 am (Sydney time) on 15 November 2016 (48 hours before the commencement of the meeting) to be valid. More detailed instructions regarding the completion and lodgement of the Proxy Form can be found in the Notice of Annual General Meeting.

I look forward to welcoming you to the meeting.

A handwritten signature in black ink, appearing to read 'Peter James', with a large, stylized initial 'P'.

Peter James  
Non-Executive Chairman

# Nearmap Ltd

ABN 37 083 702 907

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2016 Annual General Meeting of Shareholders of Nearmap Ltd ABN 37 083 702 907 ("Company") will be held at the Warrane Theatre Room, Museum of Sydney, Cnr Phillip and Bridge Streets, Sydney, NSW, on 17 November 2016 at 10.00 am (Sydney time) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

## ITEMS OF BUSINESS

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### Financial Reports

To receive and consider the financial statements of the Company for the year ended 30 June 2016, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

### Resolution 1 – Non Binding Resolution to adopt Remuneration Report

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

*"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2016 be adopted."*

**Note:** The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

#### Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the resolution or the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and 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; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1.

Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

### Resolution 2 – Election of Mr Peter James as a Director

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

*"That Mr Peter James, who was appointed as an additional director of the Company on 21 December 2015 and who retires in accordance with clause 6.1(e) of the Constitution and, being eligible, offers himself for election, be elected as a Director of the Company."*

### Resolution 3 – Election of Mr Ian Morris as a Director

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

*"That Mr Ian Morris, who was appointed as an additional director of the Company on 28 January 2016 and who retires in accordance with clause 6.1(e) of the Constitution and, being eligible, offers himself for election, be elected as a Director of the Company."*

#### Resolution 4 – Re-election of Mr Ross Norgard as a Director

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

*"That Mr Ross Norgard, who retires in accordance with clause 6.1(f) of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."*

#### Resolution 5 – Grant of Director Options to Dr Rob Newman

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

*"That, in accordance with section 208 of the Corporations Act and Listing Rule 10.11 and for all other purposes the Directors are authorised to grant up to 2,000,000 Director Options for no cash consideration (each Director Option having an exercise price that is 43% above the closing Share price of the Company's quoted Shares on ASX the day prior to the Meeting, vesting in equal tranches on the dates that are 12, 24 and 36 months from the date of issue and expiring 48 months from the date of issue) to Dr Rob Newman (or his nominee), on the terms and conditions set out in the Explanatory Memorandum (including Annexure A to the Explanatory Memorandum).*

##### **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 5 by Dr Rob Newman and any Associate of Dr Rob Newman. However, the Company need not disregard a vote if:

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

Further, the Company will disregard any votes cast on Resolution 5 (in any capacity) by or on behalf of:

- (a) a Related Party of the Company to whom the resolution would permit a financial benefit to be given; or
- (b) an Associate of such a Related Party,

unless it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on Resolution 5 and it is not cast on behalf of a Related Party of the Company to whom the resolution would permit a financial benefit to be given or an Associate of such a Related Party.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 5 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 5; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 5.

Shareholders may also choose to direct the Chair to vote against Resolution 5 or to abstain from voting.

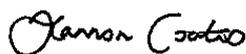
If you are a Restricted Voter and purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

#### OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Capitalised terms used in this Notice are defined on page 7 of the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

**By order of the Board**



**Shannon Coates**  
Company Secretary  
Dated: 18 October 2016

## How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the proxy form accompanying this Notice of Meeting or by submitting their proxy appointment and voting instructions by post or facsimile to the Company's share registry as outlined below.

## Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 10 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and attendances recorded. A properly executed original (or certified copy) of an appropriate power of attorney under which an attorney has been authorised must be lodged with the Company's share registry by 10.00 am (Sydney time) on 15 November 2016 (48 hours before the commencement of the Meeting).

## Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The original evidence of appointment (or certified copy) should be produced for admission to the meeting.

## Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, and 5, if the proxy is the Chair of the Meeting and 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.
- If a proxy is not directed how to vote on an item of business, the proxy may vote, or abstain from voting, as they think fit.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the Meeting, the Chairman of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.
- To be effective, proxies must be lodged by 10.00 am (Sydney time) on 15 November 2016 (48 hours before the commencement of the Meeting). Proxies lodged after this time will be invalid.
- Proxies may be lodged using any of the following methods:

### Online:

At  
[www.investorvote.com.au](http://www.investorvote.com.au)

### By Mobile:

Scan the QR Code on your Proxy form and follow the prompts

### By Mail to:

Computershare Investor Services Pty Ltd  
GPO Box 242  
Melbourne Victoria 3001  
Australia

### By Facsimile Transmission to:

1800 783 447 (within Australia) or  
+61 3 9473 2555 (outside Australia)

### Custodian Voting

For Intermediary Online subscribers only (custodians) please visit  
[www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the power of attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 10.00 am (Sydney time) on 15 November 2016 (48 hours before the commencement of the meeting). If facsimile transmission is used, the power of attorney must be certified.

**Shareholders who are entitled to vote**

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 7.00pm (Sydney time) on 15 November 2016.

# Nearmap Ltd

## ABN 37 083 702 907

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting of Nearmap Ltd (**Nearmap** or the **Company**).

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#### FINANCIAL REPORTS

The first item of the Notice of Annual General Meeting (**Notice**) deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2016 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chairman will also provide shareholders a reasonable opportunity to ask the auditor or the auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of accounts; and
- (d) the independence of the auditor in relation to the conduct of the audit.

The Chair will also allow a reasonable opportunity for the auditor or their representative to answer any written questions submitted to the auditor under section 250PA of the Corporations Act.

#### RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

In accordance with section 250R(2) of the Corporations Act the Company is required to put to its shareholders a resolution that the Remuneration Report as disclosed in the Company's 2016 Annual Report be adopted.

The Remuneration Report is set out in the Company's 2016 Annual Report and is also available on the Company's website ([www.nearmap.com](http://www.nearmap.com)).

The vote on the Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**spill resolution**) to approve calling a general meeting (**spill meeting**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene a spill meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the spill meeting if they wish to continue as directors.

The Remuneration Report for the financial year ended 30 June 2015 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 30 November 2015. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report, it will not result in the Company putting a spill resolution to Shareholders. However, a spill resolution will be required if the Remuneration Report at the 2017 Annual General Meeting receives a vote of more than 25% against its adoption.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors and other Key Management Personnel, sets out remuneration details for each member of the Key Management Personnel and any service agreements and sets out the details of any equity based compensation.

The Chairman will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

## **Voting**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

### **RESOLUTION 2 – ELECTION OF MR PETER JAMES AS A DIRECTOR**

Clause 6.1(d) of the Constitution states that, subject to rule 6.1(a), the Directors may appoint any natural person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy. Clause 6.1(e) of the Company's Constitution provides that a Director, other than the Managing Director, appointed under rule 6.1(d) must retire from office at the next annual general meeting following his or her appointment.

Mr James was appointed to the Board on 21 December 2015 to act as Deputy Chair and Non-Executive Director and transitioned to Chair of the Company on 18 March 2016. In accordance with Clause 6.1(d) of the Constitution, Mr James seeks re-election as a Director at this Annual General Meeting.

Mr James has enjoyed a successful business career with a focus on building emerging technology, media and telecommunications companies. Mr James is currently Chair of ASX listed Macquarie Telecom Group Limited and Dronesield Limited. Previously amongst other roles, Mr James was a long term director of iiNet where he chaired iiNet's Strategy and Innovation Committee and was actively involved in the \$1.5bn sale to TPG.

Mr James is a member of the Australian Computer Society, a Fellow of the Australian Institute of Company Directors and holds a Bachelor of Arts, Computer Science and Business Administration degree from the University of Canberra. Mr James is considered an independent director under the ASX Corporate Governance Council's definition of independence. Mr James is the Chair of the Company's Audit and Risk Committee and a member of the Nomination and Remuneration Committee.

#### **Directors' recommendation**

The Directors (other than Mr James) recommend Shareholders vote in favour of this resolution.

### **RESOLUTION 3 – ELECTION OF MR IAN MORRIS AS A DIRECTOR**

Clause 6.1(d) of the Constitution states that, subject to rule 6.1(a), the Directors may appoint any natural person to be a Director, either as an addition to the existing Directors or to fill a casual vacancy. Clause 6.1(e) of the Company's Constitution provides that a Director, other than the Managing Director, appointed under rule 6.1(d) must retire from office at the next annual general meeting following his or her appointment.

Mr Morris was appointed to the Board on 28 January 2016 to act as Non-Executive Director. In accordance with Clause 6.1(d) of the Constitution, Mr Morris seeks re-election as a Director at this Annual General Meeting.

Mr Morris has enjoyed a successful business career in the US technology sector. He served as the President and CEO of Market Leader for more than a decade, establishing the company as the leading provider of "software-as-a-service" solutions to the real estate industry. Under his leadership, Market Leader was ranked the 4th fastest growing technology company in North America, leading to a successful IPO in 2004 and the sale of the company to Trulia in 2013 for US\$380 million.

Before joining Market Leader, Ian spent 7 years at Microsoft where he led a number of that company's early online marketing efforts and later served as the General Manager of Microsoft HomeAdvisor. Mr Morris is a graduate of Bryant University, holds an MBA from Harvard Business School and serves as a strategic advisor and Board member with a number of leading technology companies. Mr Morris is considered an independent director under the ASX Corporate Governance Council's definition of independence and is a member of the Nomination and Remuneration Committee.

#### **Directors' recommendation**

The Directors (other than Mr Morris) recommend Shareholders vote in favour of this resolution.

#### **RESOLUTION 4 – RE-ELECTION OF MR ROSS NORGARD AS A DIRECTOR**

Pursuant to Clause 6.1(f) of the Company's Constitution, Mr Ross Norgard, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

In 1987, Mr Norgard became the founding Chairman of Nearmap Ltd (formerly ipernica ltd).

Mr Norgard is a Fellow of the Institute of Chartered Accountants and former managing partner of Arthur Andersen and KMG Hungerfords and its successor firms in Perth, Western Australia. For the past 30 years he has worked extensively in the fields of raising venture capital and the financial reorganisation of businesses. He has held numerous positions on industry committees including past chairman of the Western Australian Professional Standards Committee of the Institute of Chartered Accountants, a current member of the National Disciplinary Committee, Chairman of the Friends of the Duke of Edinburgh's Award Scheme and a former member of the University of WA's Graduate School of management (MBA Programme).

He was also Founding Chairman of Brockman Resources Limited, and is now Non-Executive Director of Hong Kong listed Brockman Mining Limited.

Mr Norgard stepped down as Chair of the Company on 18 March 2016 and remained on the Board as a Non-Executive Director. He is a member of both the Audit and Risk Committee and the Nomination and Remuneration Committee.

#### **Directors' recommendation**

The Directors (other than Mr Norgard) recommend Shareholders vote in favour of this resolution.

#### **RESOLUTION 5 - GRANT OF DIRECTOR OPTIONS TO DR ROB NEWMAN**

The Company proposes to grant 2,000,000 Director Options to Dr Rob Newman (or his nominee) (each Director Option with an exercise price that is 43% above the closing Share price of the Company's quoted Shares on ASX the day prior to the Meeting, vesting in equal tranches on the dates that are 12, 24 and 36 months from the date of issue and expiring 48 months from the date of issue).

#### **RELATED PARTY TRANSACTIONS GENERALLY**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a *related party* of the public company *unless* either:

- (a) the giving of the financial benefits falls within one of the nominated exceptions to the provision; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit and the benefit is given within 15 months after obtaining such approval.

For the purposes of Chapter 2E of the Corporations Act, Dr Newman is considered to be a related party of the Company as he is a Director. Resolution 5 provides for the grant of Director Options to Dr Newman which is a financial benefit which requires Shareholder approval.

#### **INFORMATION REQUIREMENTS – CHAPTER 2E OF THE CORPORATIONS ACT**

For the purposes of Chapter 2E of the Corporations Act the following information is provided.

#### **The related parties to whom the proposed resolutions would permit the financial benefit to be given and the nature of the financial benefit**

Subject to Shareholder approval, 2,000,000 Director Options will be granted to Dr Rob Newman, or his nominee.

The proposed financial benefit to be given is the grant of Director Options for no cash consideration to Dr Newman as noted above. As the exercise price will not be determinable until the day prior to the Meeting (as outlined above), it is not yet known how much Dr Newman will need to pay to the Company to exercise each Director Option.

#### **The details of the financial benefit including reasons for giving the type and quantity of the benefit**

The terms and conditions of the Director Options proposed to be granted to Dr Newman is set out in Annexure A to this Explanatory Memorandum. Although the Director Options proposed to be issued to Dr Newman are **not** being issued under the Plan, the Director Options will nevertheless be subject to the Plan rules. If, however, there is any inconsistency between

the terms of the Director Options as set out in Annexure A and the Plan, the terms as set out in Annexure A prevail to the extent of the inconsistency.

In the Company's current circumstances, the Directors consider (in the absence of Dr Newman) that the grant of these Executive Director Options are a cost effective and efficient means for the Company to remunerate Dr Newman, as opposed to cash remuneration:

- (a) to provide the Company the ability to structure fees in a cost-effective way; while being able to attract and retain the highest calibre of Executive level talent to the Company; and
- (b) maintaining cash reserves is important as the Company is not yet generating consistent operating profit, with FY14 being the inaugural year that the Company has recorded a net profit following consecutive years of losses.

In addition, it is the Company's intention to remunerate Executives and Directors at a level that enables the Company to both attract and retain the best talent at a global level.

### Current Holdings

Set out below are details of Dr Newman relevant interest in Shares and Options as at the date of this Notice:

Director	Number of Shares	Number of Options over Shares
Dr Rob Newman, or his Associates	5,000,000 <sup>1</sup>	3,000,000 <sup>2</sup>

1. Shares held indirectly by Venture Skills Pty Ltd <The Newman Family A/C> of which Dr Newman is a director and shareholder, and beneficiary of the trust (as to 3,145,000 Shares) and Lively Enterprises Pty Ltd <Newman Retirement Fund A/C> of which Dr Newman is a director and shareholder, and beneficiary of the fund (as to 1,855,000 Shares).
2. Director Options held indirectly by Lively Enterprises Pty Ltd <Newman Retirement Fund A/C> of which Dr Newman is a director and shareholder, and beneficiary of the fund, exercisable at \$0.56 each and vesting in equal tranches 12, 24 and 36 months and expiring 30 November 2019.

### Dilution effect of grant of Director Options on existing members' interests

The proposed Resolution 5 would have the effect of giving power to the Directors to grant a total of 2,000,000 Director Options on the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above.

As at the date of this Explanatory Memorandum, the Company has 356,546,101 listed Shares on issue and 36,845,000 outstanding unlisted Options.

If the 2,000,000 Director Options to be issued under Resolution 5 are exercised, Dr Newman's percentage holding in Shares would be 1.9% on a fully diluted basis based on the Company's issued share capital as at the date of this Notice (assuming the current Options on issue which are "out of the money" are not exercised, and excluding options proposed for issuance to other Directors as set out in this Notice of Meeting).

The market price of the Shares during the period of the Director Options will normally determine whether or not the Director Options are exercised. At the time any Director Options are exercised and Shares are issued pursuant to the exercise of the Director Options, the Shares may be trading at a price which is higher than the exercise price of the Director Options.

### Dr Newman's total remuneration packages

Dr Newman's fees per annum (including superannuation) and the total financial benefit to be received by Dr Newman as a result of the grant of the Director Options the subject of Resolution 5 is as follows:

Director	Annual Fees (including superannuation)	Short Term Incentive	Value of Director Options
Dr Rob Newman	\$520,000 <sup>1</sup>	Up to a maximum of 100% of annual base salary over a two year period at Board discretion and based on performance milestones. <sup>1</sup>	\$412,696

1. As announced to ASX on 15 October 2015, Dr Newman was appointed as Managing Director, effective 15 October 2015. Dr Newman's annual fees and short term incentive will be paid pro-rata from this date. Prior to 15 October 2015, Dr Newman's fee was \$70,000 per annum and prior to 1 March 2015, Dr Newman's fee was \$50,000 per annum.

The indicative option valuation of \$0.2063 for Director Options with a 12 month vesting condition, \$0.2063 for Director Options with a 24 month vesting condition and \$0.2063 for Director Options with a 36 month vesting condition is a theoretical valuation of each Director Option using the Black Scholes Option Pricing Model (**Black Scholes Model**).

#### Valuation of Director Options

The Company has valued the Director Options to be granted to Dr Newman using the Black Scholes Model. The value of an option calculated by the Black Scholes Model is a function of a number of variables. The valuation of the Director Options has been prepared using the following assumptions:

Variable	12 month vesting	24 month vesting	36 month vesting
Share price	\$0.53	\$0.53	\$0.53
Exercise price	\$0.76	\$0.76	\$0.76
Expected life	4 years	4 years	4 years
Risk free interest rate	1.64%	1.64%	1.64%
Volatility	62.46%	62.46%	62.46%
Time (years to expiry)	48 months	48 months	48 months
Dividend Yield	0%	0%	0%

The Company has calculated the value of each option based on the following assumptions:

- (a) They have based the underlying value of each Share on the ASX's closing price of 53 cents on 22 September 2016;
- (b) Risk free rate of return – 1.64% derived from the implied zero coupon yield from Australian government bonds as at 22 September 2016;
- (c) Volatility of the share price of 62.46%, as determined from the historic volatility of the market price of the Company's shares and the mean reversion tendency of volatilities;
- (d) No adjustment has been made to the fair value of the Director Options for potential dilution; and
- (e) The "Expected life" and "Risk free interest rate" reflect that the Director Options are **not** subject to an Employee Loan Scheme that permits the Company to grant financial assistance to employees (including salaried Directors) (or their permitted nominees) by way of a loan to enable them to exercise Options and acquire Shares.

Based on the assumptions, it is considered that the estimated average value of the Director Options to be granted to Dr Newman is \$0.2063 per Director Option with a 12 month vesting condition, \$0.2063 per Director Option with a 24 month vesting condition and \$0.2063 per Director Option with a 36 month vesting condition.

Any change in the variables applied in the Black Scholes calculation between the date of the valuation and the date the Director Options are issued would have an impact on their value.

#### Company's historical Share price

The following table gives details of the highest, lowest and latest price of the Shares trading on ASX over the past 12 months ending on 22 September 2016:

Highest Price (cents) / Date	Lowest Price (cents) / Date	Latest Price / Date
60 cents on 19 August 2016	32.5 cents on 10 February 2016	53 cents on 22 September 2016

#### Other Information

Under the Australian Equivalent of IFRS, the Company is required to expense the value of the Director Options in its statement of financial performance for the current financial year.

Other than as disclosed in this Explanatory Memorandum, the Directors do not consider that from an economic and commercial point of view, there are any costs or detriments including opportunity costs or taxation consequences for the Company or benefits foregone by the Company in granting the Director Options pursuant to Resolution 5.

Neither the Directors nor the Company are aware of other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by the proposed Resolutions.

## **INFORMATION REQUIREMENTS – LISTING RULES 10.11 AND 10.13**

Listing Rule 10.11 requires Shareholder approval by ordinary resolution to any issue by a listed company of securities to a related party. Accordingly, Listing Rule 10.11 requires Shareholders to approve the grant of Director Options to Dr Newman.

### **Listing Rule 10.13**

The following information in relation to the Director Options to be granted pursuant to Resolution 5 is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) 2,000,000 Director Options will be granted to Dr Newman, or his nominee. Dr Newman is a Director;
- (b) the maximum number of Director Options to be granted is 2,000,000;
- (c) the Director Options will be issued on a date which will be no later than 1 month after the date of this Meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules;
- (d) the Director Options will be granted for nil cash consideration;
- (e) no funds will be raised by the grant of the Director Options. The funds raised if the Director Options are exercised will be used for working capital purposes; and
- (f) the terms and conditions of the Director Options are set out in Annexure A to this Explanatory Memorandum.

If approval is given for the grant of the Director Options under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

### **Voting**

Note that a voting exclusion applies to Resolution 5 in the terms set out in the Notice of Meeting.

### **Directors' recommendation**

All the Directors were available to make a recommendation. For the reasons noted above:

Messrs James, Norgard, Rosenberg and Morris (who have no interest in the outcome of Resolution 5) recommend that Shareholders vote in favour of Resolution 5. Dr Newman declined to make a recommendation about Resolution 5 as he has a material personal interest in the outcome of the Resolution, as they relate to the proposed grant of Director Options or, in line with ASIC Regulatory Guide 76: Related Party Transactions.

## GLOSSARY

“**Accounting Standards**” has the meaning given to that term in the Corporations Act;

“**Associate**” has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the “designated body” for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director unless the contrary is established.

“**ASX**” means 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 of the Company;

“**Child Entity**” has the meaning given to that term in the Listing Rules;

“**Closely Related Party**” has the meaning given to that term in the Corporations Act;

“**Company**” or “**Nearmap**” means Nearmap Ltd ABN 37 083 702 907;

“**Constitution**” means the constitution of the Company;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a director of the Company;

“**Director Options**” means the Options on the terms and conditions set out in Annexure A for Dr Rob Newman;

“**Equity Interests**” has the meaning ascribed to that term in the Listing Rules;

“**Explanatory Memorandum**” means the explanatory memorandum accompanying this Notice;

“**Key Management Personnel**” has the meaning given to that term in the Accounting Standards;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” means the annual general meeting the subject of the Notice;

“**Notice**” means the notice of annual general meeting which accompanies this Explanatory Memorandum;

“**Option**” means an option to acquire a Share;

“**Related Party**” has the meaning given in section 228 of the Corporations Act and includes (among others) the directors of the Company and any entity that controls the Company, and their spouses, parents and children.

“**Resolution**” means a resolution proposed pursuant to the Notice;

“**Restricted Voter**” means Key Management Personnel and their Closely Related Parties;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means a holder of Shares; and

## ANNEXURE A

### TERMS AND CONDITIONS OF DIRECTOR OPTIONS: ROB NEWMAN

#### *General Terms:*

1. The exercise price of each Option is the amount calculated as 43% above the closing Share price of the Company's quoted Shares on ASX the day prior to the date of approval by Shareholders ("**Exercise Price**").
2. The Options will vest in equal tranches on the dates that are 12, 24 and 36 months from the date of issue.
3. The Options will expire 48 months from the date of issue ("**Expiry Date**").
4. Each Option shall confer the right to acquire one Share, ranking pari passu with existing issued Shares.
5. To the extent possible, the Options must be exercised in multiples of 25,000, unless all of the Options, to the extent that they have Vested, noted on this Option Certificate are exercised at that time. The exercise of some of the Options does not affect the option holder's right to exercise other Options at a later time.
6. The Options are exercisable by notice in writing to Nearmap (in substantially the form attached to the Option Certificate) received at any time after the Vesting Date but on or before the Expiry Date, specifying the number of Options being exercised and must be accompanied by the Exercise Price, and the Option Certificate for these Options, for cancellation by Nearmap. Exercise of the Options is subject to the Company's Trading Policy.
7. The Company shall issue or procure the transfer of ("**allocate**") the resultant Shares and deliver the holding statement within 5 Business Days of the exercise of the Option.
8. The Company will not apply for official quotation on ASX of the Options.
9. The Company shall in accordance with the Listing Rules make application to have Shares allocated pursuant to an exercise of Options listed for official quotation, in any event no later than 15 Business Days.
10. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, the number of the Options or the Exercise Price of the Options or both shall be reconstructed (as appropriate) in accordance with the Listing Rules.
11. An Option granted to the Holder may not be transferred and lapses immediately on purported transfer, unless the Board in its absolute discretion approves the transfer, or the transfer or transmission is effected by force of law on death or legal incapacity to the Holder's legal personal representative. The Holder may request from the Company that their Options are sold to the Company's nominated broker and on terms approved by the Company, instead of being exercised pursuant to these rules
12. Notwithstanding any other terms and conditions, where one of the following events has occurred:
  - (a) the commencement of a Bid Period;
  - (b) a Change in Control Event;
  - (c) an application under section 411 of the Corporations Act where a court orders a meeting to be held concerning a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company.

the following treatment will apply to the Options:

- (a) Vested Options may be exercised upon the event and prior to the Expiry Date, or such other period specified by the Board (either at the time of the Offer or at the time of the event);
- (b) Unvested Options, in respect of which the sale price of Shares as listed on the ASX at the time of the event exceeds the Exercise Price will immediately vest and may be exercised prior to the Expiry Date, or such other period specified by the Board (either at the time of the Offer or at the time of the event);

- (c) Unvested Options, in respect of which the sale price of Shares as listed on the ASX at the time of the event is less than the Exercise Price, lapse immediately.

Any Options that become exercisable under this clause and are not exercised by the Expiry Date or other relevant period will lapse.

13. If the Eligible Person or Nearmap terminates the Eligible Person's employment or directorship then:
  - (a) any Unvested Options immediately lapse; and
  - (b) the Holder may exercise any Vested Options held at any time prior to the earlier of the Expiry Date and the date which is 180 days from the date on which either Nearmap or the Eligible Person terminated the employment or directorship. If the Options are not exercised within this 180 day period they will lapse.
14. If the employment or directorship is terminated pursuant to section 203B of the Corporations Act:
  - (a) any Unvested Options immediately lapse; and
  - (b) such Eligible Person, or Permitted Nominee as the case may be, may exercise any Vested Options held by the Eligible Person, or Permitted Nominee as the case may be, at any time prior to the earlier of the Expiry Date and the date which is 30 days from the date on which the employment or directorship is terminated.
15. If the Holder dies or suffers Total and Permanent Disablement, then the Holder or his legal personal representative may exercise any Vested Options held by the Holder or his legal personal representative during the period of 180 days following the Holder's death or date of disablement but prior to the Expiry Date. During this period the Holder's legal personal representative may:
  - (a) elect to be registered as the new Holder of the deceased Holder's Options;
  - (b) whether or not he becomes so registered, exercise those Options as if he were the Holder of them; and
  - (c) if the deceased Holder had already given the Company a notice of exercise of his or her Options, pay the Exercise Price in respect of those Options.

If the Holder is a Permitted Nominee, then the references to death, Total and Permanent Disablement and legal person representative in this clause are to those of the Eligible Person to whom the initial offer of Options was made.

16. The following conditions also apply to the Options:
  - (a) Holders may only participate in new issues of securities to holders of Shares if the Options have been exercised, if that is permitted by their terms, and the Shares in respect of the exercise of the Options have been allocated before the date for determining entitlements to the issue. Nearmap must give notice as required under the Listing Rules to the Holders of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.
  - (b) If Nearmap makes an offer of Shares pro rata to all or substantially all holders of Shares (other than a bonus issue or an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allocated in respect of the Options before the date for determining entitlements to the pro rata issue, then the Exercise Price of the Options will be adjusted in the manner provided for in the Listing Rules.
  - (c) If Nearmap makes a bonus issue of Shares or other securities ("**Bonus Issue**") pro rata to holders of Shares (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) and no Shares have been allocated in respect of the Options before the date for determining entitlements to the Bonus Issue, then the number of securities over which the Options are exercisable will be increased by the number of securities which the Holder would have received if the Options had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by Nearmap out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other Shares of that class on issue at the date of issue of the Bonus Shares.

17. Term 12 of these terms and conditions will be subject to clause 16.5 of the Plan.
18. Term 16(b) of these terms and conditions will be applied in accordance with the Plan.
19. The Specific Rules of the Plan (i.e. Rules 15 – 23), applicable as at the date the Options are granted to the Eligible Person (or their Permitted Nominee), will be incorporated into the terms and conditions of the Options to be granted to the Eligible Person (or their Permitted Nominee).
20. The Options are otherwise issued pursuant to the terms of the Plan.

*Glossary:*

21. In these terms and conditions:

"**ASX**" means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Bid Period**" in relation to a takeover bid in respect of shares in the Company, means the period referred to in the definition of that expression in section 9 of the Corporations Act provided that where a takeover bid is publicly announced prior to the service of a bidder's statement on the Company in relation to that takeover bid, the Bid Period shall be deemed to have commenced at the time of that announcement;

"**Business Day**" means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day;

"**Change of Control Event**" means a Shareholder, or a group of associated Shareholders, becoming entitled to sufficient shares in the Company to give it or them the ability and that ability is successfully exercised, in a general meeting, to replace all or a majority of the Board;

"**Corporations Act**" means Corporations Act 2001 (Cth);

"**Director**" means a director of Nearmap or a wholly owned subsidiary of Nearmap from time to time but does not include a person who is only a director by virtue of being an alternate director;

"**Eligible Person**" means at any time a person who then is an employee (whether full-time or part-time) of Nearmap including Directors;

"**Holder**" means, in relation to an Option, the person (whether an Eligible Person, a Permitted Nominee or their legal personal representative) entered into Nearmap's register of Options as the holder of that Option;

"**Listing Rules**" means the Official Listing Rules of ASX as they apply to the Company;

"**Permitted Nominee**" means a person or entity permitted by the Board, pursuant to clause 7.2 of the Plan, to accept an offer of Options made to an Eligible Person in place of the Eligible Person;

"**Plan**" means the Nearmap Employee Share Option Plan, as amended from time to time;

"**Share**" means a fully paid ordinary share issued in the capital of the Company;

"**Total and Permanent Disablement**" means that the Eligible Person has, in the opinion of the Board, after considering such medical and other evidence as is reasonable, become incapacitated to such an extent as to render the Eligible Person unlikely to ever be able to engage in any occupation for which he is reasonably qualified by education, training or experience;

"**Trading Policy**" means any Company securities trading policy, as amended from time to time;

"**Unvested**" means an Option that is not yet capable of being exercised; and

"**Vested**" means an Option that is capable of being exercised.

**Lodge your vote:**

 **Online:**  
www.investorvote.com.au

 **By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) www.intermediaryonline.com

**For all enquiries call:**  
(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

**Proxy Form**

**XX**



**Vote and view the annual report online**

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.



**Your access information that you will need to vote:**

**Control Number:188985**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10:00am (Sydney time) Tuesday, 15 November 2016**

**How to Vote on Items of Business**

All your securities will be voted in accordance with your directions.

**Appointment of Proxy**

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

**Signing Instructions for Postal Forms**

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

**Attending the Meeting**

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** →

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Nearmap Ltd hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and 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 Annual General Meeting of Nearmap Ltd to be held at the Warrane Theatre Room, Museum of Sydney, Cnr Phillip and Bridge Streets, Sydney, New South Wales on Thursday, 17 November 2016 at 10:00am (Sydney time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 5 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Non Binding Resolution to adopt Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Mr Peter James as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Ian Morris as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Mr Ross Norgard as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Director Options to Dr Rob Newman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date / / \_\_\_\_\_