

Annual General Meeting 2015

25 September 2015

Dear Shareholder,

It is my pleasure to invite you to the 2015 Annual General Meeting of My Net Fone Limited to be held at 10.30 am on Tuesday 27 October 2015 at the Auditorium, NSW Teachers Federation, 23-33 Mary Street, Surry Hills, NSW 2010.

I enclose a notice of annual general meeting with an explanatory memorandum together with a personalised proxy form for shareholders. You can lodge your proxy on-line at www.linkmarketservices.com.au or return the hardcopy form in the reply paid envelope enclosed if you are not able to attend the meeting.

The My Net Fone Limited annual report is now available on-line on our website, <http://mnfgroup.limited/investors/annual-reports>. We will not send you a hardcopy of the annual report unless you specifically request one.

If you want to receive a copy, please send an email to annualreport@mynetfone.com.au and include your name and address.

I look forward to welcoming you to the meeting.



Terry Cuthbertson
Chairman

Notice of Annual General Meeting 2015

Notice is hereby given that the Annual General Meeting of the shareholders of My Net Fone Limited will be held at 10:30 am on Tuesday 27 October 2015 at the Auditorium, NSW Teachers Federation, 23-33 Mary Street, Surry Hills NSW 2010.

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

ORDINARY BUSINESS

Item 1: Financial Reports

To receive and consider the financial report, director's report and auditor's report for the Company and its controlled entities for the year ended 30 June 2015.

Resolution 1: Remuneration Report

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

"That the Remuneration Report for the year ended 30 June 2015 be adopted."

The vote on this resolution is advisory only and does not bind the directors or the Company.

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Key Management Personnel or any of their Closely Related Parties. However, the Company will not disregard a vote if it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form.

Resolution 2: Re-Election of Mr Terry Cuthbertson as Director

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

"That Mr Terry Cuthbertson, being a director of the Company, retires in accordance with ASX Listing Rule 14.4 and, having offered himself for re-election, is hereby elected as director of the Company."

Resolution 3: Re-Election of Mr Andy Fung as Director

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

"That Mr Andy Fung, being a director of the Company, retires in accordance with ASX Listing Rule 14.4 and, having offered himself for re-election, is hereby elected as director of the Company."

Resolution 4: Approval of a placement of fully-paid ordinary shares in the Company made in the last twelve months.

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

"That for the purposes of listing rule 7.4 of the Listing Rules of the ASX Limited; subsequent approval is given for the issue of 4,054,054 fully-paid ordinary shares in the Company on 08 July 2015 made by way of placement, as described in the Explanatory Memorandum which accompanies the Notice convening this Meeting."

Voting exclusion

The Company will disregard any votes cast on Resolution 6 by any shareholder of the Company who participated in the issue made by way of placement on 08 July 2015 and by any associate of any such shareholder.

However, the Company will not disregard a vote cast on Resolution 4 if:

- (i) 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
- (ii) it is cast by the Chairman of 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.

SPECIAL BUSINESS

Resolution 5: Change of Company Name

To consider and, if thought fit, pass the following special resolution:

"That for the purposes of section 157(1) of the Corporations Act and all other purposes, approval is given that the name of the Company be changed from My Net Fone Limited to MNF Group Limited."

Resolution 6: Financial Assistance

To consider and, if thought fit, pass the following special resolution:

"That

- (1) in accordance with, and for the purpose of section 260B(2) of the Corporations Act 2001 (Cth), approval is given to the giving of what may be regarded as financial assistance by TNZI Australia Pty Limited (a wholly-owned subsidiary of the Company) for the purpose of, or in connection with, the acquisition of shares in TNZI Australia Pty Limited by Symbio Wholesale International Pty Ltd, the details of which are set out in the accompanying Explanatory Memorandum;
- (2) further documents in addition to those mentioned in the Explanatory Memorandum may be required or desirable for the purposes of the transactions contemplated in the Explanatory Memorandum and the shareholders approve the entry into and giving effect to such documents;
- (3) approval be given to the proposed actions of the directors and the Company in doing all things necessary to give effect to the transactions contemplated in the Explanatory Memorandum which assist the acquisition by Symbio Wholesale International Pty Ltd of all the issued shares in TNZI Australia Pty Limited and any other transaction contemplated in the Explanatory Memorandum; and
- (4) any director or secretary be directed to lodge with the Australian Securities and Investments Commission a notice of these resolutions and note the Company's records accordingly."

Resolution 7: Approval of 10% Placement Capacity

To consider and, if thought fit, pass the following special resolution:

"That for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities of up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the explanatory memorandum accompanying the notice of meeting."

Voting exclusion

The Company will disregard any votes cast on this resolution by any person who may participate in the issue of equity securities under this resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote cast on Resolution 7 if:

- (i) 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
- (ii) it is cast by the Chairman of 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



Catherine Ly
Company Secretary
25 September 2015

Explanatory Memorandum

Resolution 1 – Remuneration Report

The Corporations Act 2001 requires that a resolution must be put to shareholders that the Remuneration Report of the Company be adopted. The Remuneration Report of the Company forms part of the Directors Report which is contained in the Annual Report accompanying this Notice of Meeting. The Remuneration Report sets out the Company's remuneration policy and reports the remuneration arrangements in place for Executive Directors, Non-Executive Directors and certain executives whose remuneration arrangements are required to be disclosed.

The Board unanimously recommends that shareholders vote in favour of the approval of the Remuneration Report.

Resolution 2 – Re-election of Mr Terry Cuthbertson as a Director of the Company

Under the ASX Listing Rule 14.5, the Company must hold an election of Directors every year. A Director is retiring as a result of that rule and is eligible for re-election. The Board is aware of the effect of ASX Listing Rule 14.4 and each of the Directors will resign in accordance with that Rule.

Pursuant to the ASX Listing Rule, Mr Terry Cuthbertson, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Cuthbertson was first appointed as Non-executive Director and Chairman of the Company on 08 March 2006. Terry holds a Bachelor of Business and is a Chartered Accountant; he was previously a partner with KPMG and has extensive corporate finance expertise and knowledge. Mr Cuthbertson is also a Director and Chairman of S2 Net Limited, Montec International Limited, Austpac Resources N.L., Malachite Resources Limited, South American Iron & Steel Limited, Isentric Limited and Mint Wireless Limited.

The continuing Directors unanimously recommend that shareholders vote in

favour of Resolution 2 to re-elect Mr Cuthbertson as a Non-executive Director.

Resolution 3: Re-election of Mr Andy Fung as a Director of the Company

Under the ASX Listing Rule 14.5, the Company must hold an election of Directors every year. A Director is retiring as a result of that rule and is eligible for re-election. The Board is aware of the effect of ASX Listing Rule 14.4 and each of the Directors will resign in accordance with that Rule.

Pursuant to the ASX Listing Rule, Mr Andy Fung, being a Director of the Company, retires by way of rotation and, being eligible, offers himself for re-election as a Director of the Company.

Mr Fung was first appointed as Managing Director of the Company on 08 March 2006. Andy resigned from the position on 29 February 2012 and was appointed as Non-executive Director on 01 March 2012. Mr Fung holds a Bachelor of Engineering degree and a Master of Commerce and has extensive experience in telecommunications. Prior to joining My Net Fone, Mr Fung was the Director of Business Development of Lucent Technologies. He is a co-founder of My Net Fone Limited, Symbio Networks Pty Ltd and Symbio Wholesale Pty Ltd.

The continuing Directors unanimously recommend that shareholders vote in favour of Resolution 3 to re-elect Mr Fung as Non-Executive Director.

Resolution 4: Approval of a placement of fully-paid ordinary shares in the Company made in the last twelve months.

General background

The Company is seeking the approval of shareholders, for the purposes of listing rule 7.4 of the Listing Rules of ASX Limited ('ASX Listing Rules'), in respect of the issue of shares that has been made by the Company in the last twelve months set out in the following table, as required by listing rule 7.5:

The number of securities issued:	The price at which the securities were issued	The terms of the securities	Persons to whom the issue was made	The use of the funds raised
4,054,054	\$3.70	Fully-paid ordinary shares	The shares were issued to professional and sophisticated investors. None of the allottees were a Related Party of the Company	The funds will be used for the purpose of accelerating the growth opportunity of the TNZI business, and allow for additional acquisitions for revenue and synergy growth globally

ASX Listing Rule 7.1

Listing rule 7.1 imposes a 15% cap on the number of shares that can be issued by the Company, without approval of shareholders or ASX waiver, in any twelve month period (15% limit). However, the Company is permitted to issue shares (or other securities) in excess of the 15% limit if those shares are issued in reliance on an exception to listing rule 7.1 or the issue is approved by shareholders or an ASX waiver is obtained.

Why is the Company seeking approval for the issues of shares?

The effect of the proposed approval by shareholders of resolution 4 would be that the share issues set out in resolution 4, which have been issued by the Company in the last twelve months, will not count toward the 15% limit. A consequence of approval is that the share issues which are approved will increase the number of shares from which the 15% limit is calculated.

The Directors do not currently have any specific intention to make an issue of shares without approval of shareholders under listing rule 7.1. However, the Directors consider that it is appropriate and prudent for approval to be sought at the Meeting, in respect of the relevant issues of shares in the last twelve months, as this approval will enhance the Company's flexibility

to finance strategic transactions through raising equity capital, should the Directors consider that it is in the best interests of the Company to do so. If this approval is not given at the Meeting, the Company may need to incur the costs and delay of convening a special general meeting of the Company during the period up to 8 July 2016, if the Directors propose to issue securities which do not fall under an exception to the 15% rule in listing rule 7.2.

The Company is seeking the approval of shareholders, for the purposes of listing rule 7.4, in resolution 4, so that the issues will not count towards the 15% limit. The Directors believe that it is in the best interests of the Company that the Directors maintain their ability to issue up to 15% of the issued capital of the Company in the period up to 8 July 2016. Listing rule 7.4 enables shareholders to subsequently approve the issue of such shares for the purposes of listing rule 7.1.

The Directors unanimously recommend that shareholders vote in favour of Resolution 4.

Resolution 5: Change of Company Name

Resolution 5 is a special resolution and seeks shareholder approval to change the name of the Company to MNF Group Limited. Subject to ASX approval, the Company intends to continue to use the ASX code MNF.

The change of name of the Company is representative of the fact that the Company is now a large and sophisticated group trading under multiple brand names on a global market. The original My Net Fone name is now one brand of many within the Company that has many highly valued and recognized brands within Australia and globally: Symbio Networks, TNZI, iBoss and more.

The Directors feel that changing the Company name to “MNF Group Limited” gives recognition to the original heritage of “My Net Fone” while creating a group parent entity with potential for future growth and global scale. Colloquially within the Australian telecommunications industry the Company is already known as “MNF”, and fittingly is our ASX code, which the Company will continue to use into the future.

The name MNF Group Limited is available and has been reserved in preparation for this resolution. The Company has also launched a new Group corporate web site <http://mnfgroup.limited> using a new generation global domain name.

Section 157(1) of the Corporations Act

In accordance with section 157(1) of the Corporations Act, the proposed change of company name requires the approval of Shareholders by special resolution. A special resolution is a resolution that has been passed by at least 75% of the votes cast by members entitled to vote on the resolution.

The Company has reserved the proposed change of name with ASIC, prior to the Meeting, to ensure the name is available should Shareholders approve this resolution.

The change of Company name will take effect on the day that ASIC approves the change of the name and does not affect the legal status of the Company.

The Board unanimously recommends that shareholders vote in favour of Resolution 5 to change the Company name.

Resolution 6: Financial Assistance

Resolution 6 is a special resolution and is proposed in order to satisfy the Company’s obligations to Westpac Banking Corporation under the terms of the loan facility obtained to acquire the international voice business of Telecom New Zealand International. Detailed explanation about this resolution is given in paragraphs 1 to 8 below.

1. Background

1.1 Resolution 6 relates to the giving of what may be regarded as financial assistance, to which section 260A of the Corporations Act 2001 (Cth) (Corporations Act) will apply, that TNZI Australia Pty Ltd ACN 069 159 020 (TNZI Australia) proposes to give in relation to the transaction set out in paragraph 2 below (Transaction).

2. Transaction

Acquisition

2.1 By an acquisition agreement entitled “Agreement for Sale and Purchase of Assets and Shares in the voice business of Telecom New Zealand International” dated 2 April 2015 between, amongst other parties, the Company as guarantor and as a purchaser (directly or indirectly) and Telecom New Zealand International Limited (a subsidiary of Spark New Zealand Limited (Spark) (ASX: SPK)) as a vendor, the Company (directly or indirectly) acquired all of the shares in TNZI Australia from Spark (Acquisition).

2.2 Immediately after the Acquisition, TNZI Australia became the wholly-owned subsidiary of the Company, which is a listed domestic corporation (Listed Holding Corporation).

Facilities Agreement

2.3 By a facilities agreement (Facilities Agreement) dated 22 April 2015 between, amongst other parties, the Company as borrower and Westpac Banking Corporation ABN 33 007 457 141 (Financier) as

lender, the Financier agreed to make certain funds available to the Company to (directly or indirectly) fund the purchase price of the Acquisition and other costs associated with the Acquisition (Acquisition Costs).

2.4 It is proposed that, to better secure or support the obligations of the Obligors (as defined in the Facilities Agreement and which includes the Company) (Obligors) in relation to the Finance Documents (as defined in the Facilities Agreement) (Finance Documents), TNZI Australia:

(1) enter into a general security deed in favour of the Financier (General Security Deed), which will grant a security interest over all of TNZI Australia’s present and after-acquired property (as that term is defined in the Personal Property Securities Act 2009 (Cth)) in favour of the Financier. The General Security Deed will secure all amounts owing by the Company to the Financier from time to time; and

(2) enter into an Accession Deed to the Facilities Agreement by which TNZI Australia will grant a guarantee in favour of the Financier (Guarantee). As a result, TNZI Australia will (among other things) guarantee all amounts owing by the Company to the Financier from time to time,

(together, the Securities).

2.5 The entry into the Securities is a condition to the continuing provision of funds by the Financier under the Facilities Agreement.

3. Financial assistance

3.1 Particulars of the proposed financial assistance

Section 260A of the Corporations Act states that:

“A company may financially assist a person to acquire shares ... in the company, or a holding company of the company only if: ...the assistance is approved by shareholders under section 260B...” ...

3.2 Proposed Financial Assistance

(1) The entry into the Securities by TNZI Australia in favour of the Financier as required under the terms of the Facilities Agreement might constitute the giving of financial assistance by TNZI Australia, to which section 260A of the Corporations Act will apply, by virtue of the following:

(a) the Financier has made certain funds available to the Company under the Facilities Agreement which may be used to fund the Acquisition Costs;

(b) the Guarantee:

(i) will be given by TNZI Australia and will operate to guarantee the Obligors’ obligations in relation to the Finance Documents; and

(ii) is a condition to the continuing provision of the funds by the Financier under the Facilities Agreement; and

(c) the General Security Deed:

(i) will be entered into by TNZI Australia and will secure Obligors’ obligations in relation to the Finance Documents; and

(ii) is a condition to the continuing provision of the funds by the Financier under the Facilities Agreement.

(2) In addition, in the future, TNZI Australia may:

(a) make available directly or indirectly its cash flows or other assets (whether through dividends, capital distributions, intercompany loans or otherwise) in order to enable the Obligors to comply with their payment and other obligations to the Financier;

(b) transfer assets to, or assume other liabilities of other subsidiaries or related parties of the Company;

- (c) agree to amend the Facilities Agreement, the Securities or the other Finance Documents which may include more onerous obligations;
- (d) provide additional guarantees or security, including mortgages and/or charges;
- (e) subordinate intercompany claims;
- (f) be required to enter into one or more of documents in connection with the Acquisition or its financing, under which TNZI Australia incurs obligations including but not limited to securities, Finance documents and new guarantees;
- (g) execute, or accede to, any document ancillary to, or in connection with, or in substitution for, any Finance Document, any new facility agreement and any guarantee, indemnity or security interest given in connection with the Finance Documents or any facility replacing the facilities provided under the Facilities Agreement and any related document; and
- (h) provide other financial assistance in connection with the Acquisition, including for any refinancing,

(Other Contributions).

The transactions described in this paragraph 3.2 are referred to as the Proposed Financial Assistance.

3.3 Effect of Proposed Financial Assistance

The Proposed Financial Assistance, if given, will result in TNZI Australia incurring (among other things) liabilities under the Securities in relation to, among other liabilities, the Company's liabilities under the Facilities Agreement.

3.4 Why Shareholder approval is required

- (1) Under section 260B(1) of the Corporations Act, the Proposed Financial Assistance may be given by TNZI Australia if it is approved by way of shareholder approval given by:

"(a) a special resolution passed at a general meeting of the company, with no votes cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or

(b) a resolution agreed to, at a general meeting, by all ordinary shareholders".

- (2) In addition, section 260B(2) of the Corporations Act provides that:

"If the company will be a subsidiary of a listed domestic corporation immediately after the acquisition referred to in section 260A occurs, the financial assistance must also be approved by a special resolution passed at a general meeting of that corporation."

In this case, under section 260B(2) of the Corporations Act, the Proposed Financial Assistance must be approved by a special resolution of shareholders of the Company, being the company which is the Listed Holding Corporation of TNZI Australia for the purposes of section 260B(2).

4 Effect of and reasons to give the Proposed Financial Assistance

4.1 Effect of the Proposed Financial Assistance

- (1) The effect of the Proposed Financial Assistance is that:
 - (a) TNZI Australia will have significant obligations under the Finance Documents which it otherwise would not have; and
 - (b) the cash reserves of TNZI Australia will be reduced to the extent it provides Other Contributions to enable the Obligors to comply with their payment or other obligations in relation to the Finance Documents or to otherwise fund or reimburse (directly or indirectly) the Acquisition Costs.
- (2) In particular, as a party to the Finance Documents:

- (a) TNZI Australia will assume joint and several liability with the Obligors;
- (b) the Financier may be entitled in certain circumstances following an 'event of default' under the Finance Documents to enforce the security granted by TNZI Australia and apply the proceeds of enforcement towards the repayment of the amounts owed under the Finance Documents;
- (c) TNZI Australia will provide certain representations, warranties and undertakings and have certain restrictions imposed on its business, including the ability to:
 - (i) grant further security over its assets or dispose of assets; and
 - (ii) borrow money in the future or to incur further financial indebtedness; and
- (d) TNZI Australia may be required to make available directly or indirectly Other Contributions in order to enable the Obligors to comply with their payment or other obligations under the Finance Documents.

- (3) If the Obligors fail to pay the amounts loaned to them in accordance with the terms of the Finance Documents or fail to comply with the terms of the Finance Documents, the Obligors will be in breach of their obligations to the Finance Parties. Following an event of default, the Finance Parties may enforce their rights under the Finance Documents which may impact on the solvency of TNZI Australia and the interests of the creditors and/or sole shareholder of TNZI Australia.

- (4) The directors of the Company have considered the events of default provided for in the Finance Documents. On the basis of this consideration, the directors have no reason at this time to believe that the Company (or any of its applicable subsidiaries or related entities) is likely to or will become subject to an event of default under the Finance Documents, and accordingly it is unlikely that the security provided for in the Finance Documents will be enforced. The directors have also taken into account the advantages of the Proposed Financial Assistance set out in this Explanatory Memorandum and the rights of TNZI Australia to seek contribution from each other Obligor under the Finance Documents in the event that enforcement of security occurs.

4.2 Reasons and advantages for the proposal to give the Proposed Financial Assistance

- (1) Although the obligations under the Finance Documents are significant, the shareholders are directed to consider the reasons for the Proposed Financial Assistance and the relevant grounds on which:
 - (a) the Proposed Financial Assistance could benefit the Company and its affiliates; and
 - (b) the shareholders could approve the Proposed Financial Assistance.
- (2) These grounds include the following:
 - (a) the prospects, business opportunities and reputation of the Company and its affiliates should improve as a result of the Acquisition (pursuant to which TNZI Australia and the Company have become part of a corporate group);
 - (b) the outcome of the Acquisition is expected to provide profit and growth opportunities for the Company and improve the financial position of the Company and its affiliates, including by providing access to more flexible financing arrangements on favourable terms and access to the Facilities (as defined in the Facilities Agreement) which will assist in managing the working capital requirements of the Company and TNZI Australia;
 - (c) the Facilities (to the extent they were used or are used in the future to fund or reimburse Acquisition Costs if the Proposed Financial Assistance is approved) would not be maintained without TNZI Australia providing the Proposed

Financial Assistance;

- (d) there will be restrictions on the support the Company (and its affiliates) can provide to TNZI Australia if TNZI Australia does not provide the Proposed Financial Assistance;
- (e) the considerations in paragraphs 4.1(4);
- (f) the directors consider that the giving of the Proposed Financial Assistance will be in the best interests of, and for the benefit of, the Company, as it will among other things assist the Company, TNZI Australia and their affiliates with their ongoing financing requirements and pursuit of their corporate objectives (including by providing access to more flexible financing arrangements on favourable terms as a result of TNZI Australia becoming part of the corporate group in which the Company is included); and
- (g) the Company will be part of a corporate group that will be focused on supporting and improving the performance of TNZI Australia, and its affiliates and holding companies.

5 Approval of the Proposed Financial Assistance

5.1 Resolution 6 will be passed if:

- (1) all shareholders vote in favour of the resolution; or
- (2) at least 75% of shareholders that are entitled to vote on the resolution, vote in favour of the resolution.

6 Directors' recommendation

- 6.1 The board of the Company has had regard to the effect and advantages of the proposed resolution, including those referred to in paragraph 4.
- 6.2 Each of the directors of the Company recommends that the shareholders of the Company vote in favour of the resolution proposed above and that it is in the interests of the Company to do so.

7 Prior notice to Australian Securities & Investments Commission

As required by section 260B(5) of the Corporations Act, copies of the notice of meeting and this Explanatory Memorandum as sent to the shareholders were lodged with the Australian Securities & Investments Commission prior to their dispatch to shareholders.

8 Disclosure

The directors consider that this Explanatory Memorandum contains all the information known to the Company that would be material to the shareholders in deciding how to vote on the proposed resolution other than information which it would be unreasonable to require the Company to include because it has been previously disclosed to the shareholders of the Company.

Resolution 7: Approval of 10% Placement Capacity

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek shareholder approval, by special resolution, to issue equity securities equivalent to an additional 10% of the number of equity securities on issue by way of placements over a 12 month period (the 10% Placement Facility). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

Resolution 7 is seeking approval of shareholders by special resolution for the issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine and on the terms described in this Explanatory Note.

Eligibility criteria

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both the following criteria at the date of the company's Annual Meeting:

- it has a market capitalisation of AUD\$300 million or less; and
- It is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the Annual Meeting.

Formula for calculating 10% placement capacity

The number of equity securities which may be issued or the Company may agree to issue, under the approval sought by resolution 7 is calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A.2:

$$(A \times D) - E$$

Where:

A is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2;
- plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4. This does not include an issue of fully paid ordinary securities under the Company's 15% placement capacity without shareholder approval;
- less the number of fully paid ordinary securities cancelled in the 12 months.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue, that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.

Placement capacity under ASX Listing Rule 7.1 and 7.1A

Pursuant to ASX Listing Rule 7.1, the Company must not issue, or agree to issue, more equity securities in a 12 month period, than 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

Minimum issue price

The minimum price at which the equity securities will be issued will be no less than 75% of the VWAP for equity securities of the same class, calculated over the 15 trading days on which trades are recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed, or
- if the securities are not issued within 5 trading days of the date in the above paragraph, the date on which the securities are issued.

Dilution to existing shareholdings

The existing ordinary shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this resolution, to the extent that such equity securities are issued, including:

- the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The following table gives examples of the potential dilution of existing ordinary shareholders on the basis of the current market price of the Company's ordinary shares and the current number of ordinary shares as at the date of this Notice of Meeting and Explanatory Note (**Variable A**) calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice of Meeting and Explanatory Note. The table also shows:

- examples of where Variable A has increased by 50% and by 100% respectively. The number of ordinary shares on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, the pro-rata entitlement issue or shares issued under a takeover offer) or future specific requirements under Listing Rule 7.1 that are approved at a future shareholders meeting; and
- examples of where the issue price of ordinary shares has decreased by 50%, and increased by 100% respectively, as against the current market price.

Share Capital - Variable A (ASX Listing Rule 7.1A.2)		Dilution		
		\$1.58 50% decrease in Market Price	\$3.16 Market Price	\$6.32 100% increase in Market Price
Current Variable A 66,774,269 ordinary shares	Shares issued - 10% voting dilution	6,677,427 ordinary shares	6,677,427 ordinary shares	6,677,427 ordinary shares
	Funds raised	\$10,550,335	\$21,100,669	\$42,201,339
50% increase in Variable A 100,161,404 ordinary shares	Shares issued - 10% voting dilution	10,016,140 ordinary shares	10,016,140 ordinary shares	10,016,140 ordinary shares
	Funds raised	\$15,825,501	\$31,651,002	\$63,302,005
100% increase in Variable A 133,548,538 ordinary shares	Shares issued - 10% voting dilution	13,354,854 ordinary shares	13,354,854 ordinary shares	13,354,854 ordinary shares
	Funds raised	\$21,100,669	\$42,201,339	\$84,402,677

Notes:

- The table assumes that the Company issues the maximum number of ordinary shares available under ASX Listing Rule 7.1A.
- The table assumes that no options are exercised for ordinary securities before the date of the issue of ordinary shares under ASX Listing Rule 7.1A.
- The table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% Placements Facility based on that shareholder's interest at the date of the meeting.
- The table shows the effect of an issue of ordinary securities under ASX Listing Rule 7.1A, not under the Company's 15% placement capacity under ASX Listing Rule 7.1.
- The issue price of \$3.16 being the closing price of the shares on the ASX on 7 September 15.

Placement period

- The date by which the Company may issue the equity securities is the period commencing on the date of the Annual Meeting (to which this Notice of Meeting relates, i.e. 27 October 2015) at which approval is obtained and expiring on the first to occur of the following:
- The date which is 12 months after the date of the Annual Meeting at which approval is obtained (i.e. 27 October 2016); and
- The date of the approval by shareholders of the Company's equity securities of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale or activities) or 11.2 (disposal of main undertaking).

The approval under ASX Listing Rule 7.1A will cease to be valid in the event that holders of the Company's ordinary securities approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

Purpose of 10% Placement Facility

The Company may use the funds raised from the issue of ordinary shares pursuant to the 10% Placement Capacity for working capital or to fund future acquisitions.

Subject to satisfaction of any other applicable regulatory requirements, the Company may also issue securities for non-cash consideration for the acquisition of new assets and investments. In such circumstances, the Company will provide valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the times of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including, but not limited to, the following:

- The methods of raising funds that are available to the Company;
- The effect of the issue of the equity securities on the control of the Company. Allocation will be subject to takeovers code restriction thresholds;
- The financial situation and solvency of the Company; and
- Advice from corporate, financial and broking advisers (if applicable).

The Allottees under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting but may include existing substantial security shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Previous approval under ASX Listing Rule 7.1A

The total number of Equity Securities issued by the Company in the 12 months preceding the date of the Meeting is 4,314,054, representing 6.9% of the total number of Equity Securities on issue at the commencement of the 12 month period.

Details of all issues of equity securities during the 12 months preceding the date of the Meeting are as follows:

Date of issue	Number of ordinary shares	Recipients	Issue price and discount to market price (if applicable)	Form of consideration
23 February 2015	200,000	Employee options exercised under ESS.	\$1.70 (exercise price at \$1.70 per option)	Cash consideration - \$340,000 raised, used for working capital purposes
13 May 2015	50,000	Employee options exercised under ESS.	\$1.70 (exercise price at \$1.70 per option)	Cash consideration - \$85,000 raised, used for working capital purposes
27 August 2015	10,000	Employee options exercised under ESS.	\$1.70 (exercise price at \$1.70 per option)	Cash consideration - \$17,000 raised, used for working capital purposes
8 July 2015	4,054,054	Institutional and sophisticated investors	\$3.70 (No discount on the date of issue) (Issue price was calculated at 5% discount to 15 days VWAP @29 June 15)	Cash consideration - \$15,000,000 raised, will be used for the purpose of accelerating the growth opportunity of the TNZI business, and allow for additional acquisitions for revenue and synergy growth globally

The Board unanimously recommends that shareholders vote in favour of Resolution 7.

Voting Exclusion: The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in respect of this resolution 7 by a person (and any associates of such a person) who may participate in the 10% placement facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of securities, if this resolution is passed. At this point in time there is no potential allottee to which securities may be issued under this resolution.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At the date of this Notice of Meeting, the proposed allottees of any securities which may be issued in accordance with this resolution are not as yet known or identified. In these circumstances, (and in accordance with the note set out in ASX Listing Rule 14.11.1 relating to ASX Listing Rule 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of the securities which may be issued in accordance with this resolution), shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

Voting Entitlements

The Directors have determined that the shareholding of each shareholder for the purpose of ascertaining the voting entitlements for the Annual General Meeting will be as it appears on the Share Registers at 7 pm Australian Eastern Standard Time on Sunday 25 October 2015. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the Annual General Meeting.

Proxies

A shareholder has the right to appoint a proxy, who need not be a shareholder of the Company. A member may appoint not more than 2 proxies to attend and act for the member. A member may specify the percentage of votes each proxy is appointed to exercise.

Please note that if you appoint the Chairman as your proxy and do not direct your vote on the Remuneration Report, your vote will be counted in favour of the resolution. All direct votes will be counted as directed.

The Proxy Form must be received by the share registry of the Company, Link Market Service Limited, at Level 12, 680 George Street, Sydney NSW 2000 Australia, or by facsimile to Link Market Services Limited on (02) 9287 0309, or by registering on-line at www.linkmarketservices.com.au, no later than 10:30 am on Sunday, 25 October 2015.

LODGE YOUR VOTE

 **ONLINE**
www.linkmarketservices.com.au

 **BY MAIL**
My Net Fone Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of My Net Fone Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:30am on Tuesday, 27 October 2015 at the Auditorium, NSW Teachers Federation, 23-33 Mary Street, Surry Hills NSW 2010** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Mr Terry Cuthbertson as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Financial Assistance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Mr Andy Fung as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of a placement of fully-paid ordinary shares in the Company made in the last twelve months	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:30am on Sunday, 25 October 2015**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

My Net Fone Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

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

or

Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**