
STEMIFY LIMITED

ACN 009 256 535

(TO BE RENAMED 'SWOOP HOLDINGS LIMITED')

ADDENDUM TO NOTICE OF GENERAL MEETING

The Company hereby gives notice to shareholders of the Company (**Shareholders**) that, in relation to the Notice of General Meeting and related Independent Expert's Report released to ASX on 1 April 2021 (**Notice of Meeting**) in respect of a general meeting of Shareholders to be held at 3pm AEST on 3 May 2021 at Level 40, Governor Phillip Tower 1 Farrer Place, Sydney (**Meeting**), certain information in the Notice of Meeting is updated as set out below.

Definitions in the Notice of Meeting and have the same meaning in this Addendum unless otherwise updated in this Addendum.

The purpose of this Addendum is to update the valuation of the Performance Rights proposed to be issued to certain directors of the Company post Completion, being the subject of **Resolutions 17, 18 and 19**, and related information in the Notice of Meeting. A summary of the updated information is provided in the following table:

Director/Proposed Director	Valuation of Performance Rights – original Notice of Meeting	Valuation of Performance Rights – revised	Remuneration package -original Notice of Meeting	Remuneration Package – revised
Jonathan Pearce	\$78,518.61	\$527,236	\$128,518.61	\$577,236
Tony Grist	\$130,864.37	\$878,727	\$180,864.37	\$928,727
James Spenceley	\$157,037.28	\$1,054,472	\$317,037.28	\$1,214,472

The valuation has been updated due to a revision to the underlying assumptions used in preparing the valuation relating to share price growth requirements and probabilities of achieving performance milestones. The Company considers that the revised assumptions are more appropriate for the nature of the securities (being rights which vest on the achievement of certain performance milestones and conditions).

This Addendum is supplemental to the Notice of Meeting and should be read in conjunction with the Notice of Meeting. Apart from the amendments set out below, all Resolutions, the Explanatory Statement and Independent Expert's Report in the original Notice of Meeting remain unchanged.

The specific amendments to the Notice of Meeting are provided below.

By this Addendum, the Explanatory Statement be amended as follows:

Replace Section 1.27 with the following:

1.27 Remuneration arrangements with Directors post Completion

The total proposed remuneration package for each of Jonathan Pearce (as the continuing Director) and the Proposed Directors upon Completion is set out below:

Director/Proposed Director	Remuneration package	Employment Agreement
Jonathan Pearce	\$577,236 ¹	The Company proposes to enter into a non-executive letter of appointment with Mr Pearce conditional upon Completion.
Tony Grist	\$928,727 ²	The Company proposes to enter into a non-executive letter of appointment with Mr Grist conditional upon Completion.
James Spenceley	\$1,214,472 ³	The Company proposes to enter into a non-executive letter of appointment with Mr Spenceley conditional upon Completion.
Willam (Paul) Reid	\$50,000 ⁴	The Company proposes to enter into a non-executive letter of appointment with Mr Reid conditional upon Completion.
Matthew Hollis	\$160,000 ⁵	The Company proposes to enter into an Executive Services Agreement with Mr Hollis conditional upon Completion for his role as Executive Director and part time role as Head of Sales.

Notes:

1. Comprising Directors' fees of \$50,000 (including superannuation) and the value of the Performance Rights to be issued to Mr Pearce, being \$527,236, as set out in Schedule 12.
2. Comprising Directors' fees of \$50,000 (including superannuation) and the value of the Performance Rights to be issued to Mr Grist, being \$878,727, as set out in Schedule 12.
3. Comprising Directors' fees of \$160,000 (including superannuation) and the value of the Performance Rights to be issued to Mr Spenceley, being \$1,054,472, as set out in Schedule 12. Swoop has also agreed to pay \$2,268,623 to James Spenceley as an exit bonus in connection with the Proposed Acquisitions.
4. Comprising Directors' fees of \$50,000 (including superannuation).
5. Comprising annual remuneration of \$160,000 (including superannuation).

Replace Section 13.6(j) with the following:

- (j) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year	Previous Financial Year
Jonathan Pearce	\$577,236 ¹	\$65,746 ²
Tony Grist ³	\$928,727 ⁴	Nil
James Spenceley ⁵	\$1,214,472 ⁶	Nil

Notes:

1. Comprising Directors' fees of \$50,000 and the value of the Performance Rights to be issued to Mr Pearce, being \$527,236.
2. Comprising Directors' fees of \$25,000 and an equity-settled payment of \$40,746.
3. Mr Grist will be appointed as a Director subject to completion of the Proposed Acquisitions.

4. Comprising Directors' fees of \$50,000 and the value of the Performance Rights to be issued to Mr Grist, being \$878,727.
5. Mr Spenceley will be appointed as a Director subject to completion of the Proposed Acquisitions.
6. Comprising annual remuneration of \$160,000 (including superannuation) and the value of the Performance Rights to be issued to Mr Spenceley, being \$1,054,472. Swoop has also agreed to pay \$2,268,623 to James Spenceley as an exit bonus in connection with the Proposed Acquisitions.

Replace Schedule 12 with the following:

The Performance Rights to be issued to the Related Parties pursuant to Resolutions 17 to 19 have been valued by internal management.

Based on standard assumptions including those set out below, each tranche has had a weighting applied to the market value representing the probability of achieving the performance criteria over the term of the term of the Performance Rights. Based on this methodology, the Performance Rights were ascribed the following value¹:

Item			
Market price	\$0.50		
Valuation date	8 April 2021		
Term of the Performance Right	3 years		
Dividend yield	0%		
Exercise price	\$nil		
Risk-free interest rate	0.12%		
Weighting – Tranche 1	90%		
Weighting – Tranche 2	70%		
Value of Incentive Performance Rights	Tranche 1 ² : \$0.45 per Performance Right		Tranche 2 ³ : \$0.35 per Performance Right
Total Value of Performance Rights	Tranche 1	Tranche 2	Total
- Jonathan Pearce (Resolution 17)	\$296,570.25	\$230,665.75	\$527,236.00
- Tony Grist (Resolution 18)	\$494,283.83	\$384,442.98	\$878,726.80
- James Spenceley (Resolution 19)	\$593,140.73	\$461,331.68	\$1,054,472.40

Notes:

1. The valuation noted above is not necessarily the market price that the Performance Rights could be traded at and is not automatically the market price for taxation purposes.
2. These Performance Rights are subject to the performance milestone condition that Swoop and NodeOne achieving aggregate Sales Revenue of \$30,000,000 over two consecutive half year periods, with the second half year period ending within the three year term of the performance rights, where "Sales Revenue" means revenue as independently audited by the Company's auditors excluding revenue derived from (1) one-off or extraordinary items; (2) government grants, allowances rebates or handouts; or (3) revenue or profit that has been "manufactured" to achieve the performance milestone.

3. These Performance Rights are subject to the performance milestone condition that Swoop and NodeOne achieving aggregate Sales Revenue of \$35,000,000 over two consecutive half year periods, with the second half year period ending within the three year term of the performance rights, where "Sales Revenue" means revenue as independently audited by the Company's auditors excluding revenue derived from (1) one-off or extraordinary items; (2) government grants, allowances rebates or handouts; or (3) revenue or profit that has been "manufactured" to achieve the performance milestone.

DATED: 15 APRIL 2021

BY ORDER OF THE BOARD

**MAGGIE NIEWIDOK
COMPANY SECRETARY**

Should you wish to discuss the matters in this Addendum please do not hesitate to contact the Company Secretary on +61 2 8072 1400.