



NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

15 November 2018

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

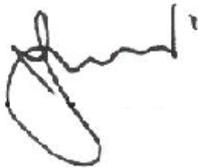
18 October 2018

Dear Shareholder

I have the pleasure of inviting you to the 2018 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 15 November 2018. 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 as your proxy. Your completed Proxy Form must be lodged with Nearmap Ltd'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 13 November 2018 (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 2018 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 15 November 2018 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

Financial Reports

To receive and consider the financial statements of the Company for the financial year ended 30 June 2018, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

Note: No resolution is required for this item of business.

Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, with or without amendment, pass the following resolution as a **non-binding ordinary resolution**:

"That the Remuneration Report as set out in the Company's financial statements for the financial year ended 30 June 2018 be adopted."

Note: The vote on Resolution 1 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

In accordance with the requirements of the Corporations Act, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a member of the Key Management Personnel listed in the Company's Remuneration Report and 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 must not vote on Resolution 1 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 1 (eg. for, against, abstain); 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 – Re-election of Mr Ross Norgard as a Director

To consider and, if thought fit, with or without amendment, 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 3 – Approval of grant of Director Options to Dr Rob Newman for the 2019 financial year

To consider and, if thought fit, with or without amendment, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the grant of Director Options to a value of \$273,000 for the financial year ended 30 June 2019 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 in favour of Resolution 3 by or on behalf of Dr Rob Newman (or his nominee) 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, a Restricted Voter who is appointed as a proxy will not vote on Resolution 3 unless:

- (a) the appointment specifies the way the proxy is to vote on Resolution 3; 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 3.

Shareholders may also choose to direct the chair to vote against Resolution 3 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.

Resolution 4 – Approval of Amendment to the Employee Share Option Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of ASX Listing Rule 7.2 Exception 9(b), sections 259B(2) and 260C(4) of the Corporations Act and for all other purposes, approval is given for the Nearmap Ltd Employee Share Option Plan with the amendments described in the Explanatory Memorandum (including authorising the issuance of up to 10 million shares pursuant to “incentive stock options” as defined by applicable U.S. tax law) (**Amended Plan**), and Shareholders approve the issue of securities under the Amended Plan as an exception to Listing Rule 7.1.”*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of any Director (other than any Director who is ineligible to participate in the Employee Share Option Plan) and any person who is an Associate of those persons.

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 vote, in accordance with the directions on the proxy form; or
- (b) 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.

Resolution 5 – Approval of Matching Share Rights Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of ASX Listing Rule 7.2, Exception 9(b) and for all other purposes, approval is given for the Nearmap Ltd Employee Matching Share Option Plan (**Matching Share Rights Plan**), the terms of which are summarised in the Explanatory Memorandum (if approved), and Shareholders approve the issue of securities under the Matching Share Rights Plan as an exception to Listing Rule 7.1.”*

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of any Director (other than any Director who is ineligible to participate in the Nearmap Ltd Employee Matching Share Option Plan) and any person who is an Associate of those persons.

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 vote, in accordance with the directions on the proxy form; or
- (b) 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.

Resolution 6 – Increase Aggregate Fee Pool for non-executive Directors

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 10.17, the Company’s Constitution and all other purposes, the aggregate amount of fees that may be paid to non-executive Directors as a whole for the years from and including the year commencing 1 July 2018 be increased from \$500,000 per annum to \$850,000 per annum (being an increase of \$350,000).”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of any Director and any person who is an Associate of a Director.

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 vote, in accordance with the directions on the proxy form; or
- (b) 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on Resolution 6 unless:

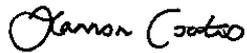
- (a) the appointment specifies the way the proxy is to vote on Resolution 6; or
- (b) the proxy is the chair of the Meeting and the appointment expressly authorises the chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the chair intends to vote any undirected proxies in favour of Resolution 6.

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 in the Glossary on page 15 of the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

By order of the Board



Shannon Coates
Company Secretary
18 October 2018

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 13 November 2018 (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 and is not directed how to vote on an item of business, the proxy may only vote on Resolutions 1, 3 and 6, 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 13 November 2018 (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

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 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 13 November 2018 (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 Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), 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 13 November 2018.

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**).

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 2018 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 financial reports and 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 Chairman 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 (which requires questions to be submitted no later than 5 business days prior to the Meeting).

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 statutory accounts for the financial year ended 30 June 2018 (a copy of which was released to ASX on 22 August 2018) be adopted.

The Remuneration Report is set out in the Company's 2018 statutory accounts and Annual Report and is also available on the Company's website (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 present and entitled to vote on the spill resolution 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 2017 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting held on 16 November 2017. 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, if this occurs, a spill resolution will be required if the Remuneration Report placed before the 2019 annual general meeting receives a vote of more than 25% against its adoption.

The Remuneration Report explains the Board's 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

A voting exclusion applies to Resolution 1 the terms of which are 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 – RE- ELECTION OF MR ROSS NORGARD AS A DIRECTOR

Pursuant to Clause 6.1(f) of the 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 Ross Norgard) recommend that Shareholders vote in favour of this resolution. The Chair of the Meeting intends to vote any undirected proxies in favour of the re-election of Mr Ross Norgard as a Director.

RESOLUTION 3 – APPROVAL OF THE GRANT OF DIRECTOR OPTIONS TO DR ROB NEWMAN FOR THE 2019 FINANCIAL YEAR

Resolution 3 seeks approval, for the purposes of Listing Rule 10.11 and for all other purposes, for the grant of Director Options to a value of \$273,000 to Dr Rob Newman (or his nominee) in respect of the 2019 financial year.

Overview of CEO remuneration arrangements for the 2019 financial year

Dr Newman's remuneration package for the 2019 financial year has been set by the Board, on the recommendation of its Nomination and Remuneration Committee, with the objectives of:

- aligning Dr Newman's interests with the interests of other Shareholders;
- ensuring that Dr Newman's remuneration is competitive and aligned with market remuneration; and
- encouraging the achievement of performance goals and continued growth of the Company's business and shareholder value.

The non-executive Directors of the Company consider that the remuneration package for Dr Newman for the financial year ended 30 June 2019, including the proposed grant of Director Options to Dr Newman, is reasonable and appropriate having regard to the circumstances of the Company and Dr Newman's duties and responsibilities.

The number of Director Options to be issued to Dr Newman (or his nominee) has been determined by the Board, having regard to the remuneration practices of companies of a similar size and industry sector.

Current security holdings in the Company

Set out below are details of Dr Newman's 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	7,000,000 ¹	3,933,908 ²

1. 4,145,000 Shares held by Venture Skills Pty Ltd as trustee for The Newman Family A/C of which Dr Newman is the sole director and sole shareholder, and is a beneficiary of The Newman Family A/C and 2,855,000 Shares held by Lively Enterprises Pty Ltd as trustee for Newman Retirement Fund A/C of which Dr Newman is a director and the sole shareholder, and is a beneficiary of the Newman Retirement Fund A/C.
2. Options held by Venture Skills Pty Ltd as trustee for Newman Family A/C of which Dr Newman is the sole director and sole shareholder, and beneficiary of Newman Family A/C comprising:
 - a. 1,000,000 Options exercisable at \$0.56 each and vesting in equal tranches on the date that is 24 months and 36 months from the date of issue on 30 November 2015, and expiring 30 November 2019;
 - b. 2,000,000 Options exercisable at \$1.06 each and vesting in equal tranches on the date that is 12 months, 24 months and 36 months from the date of issue on 2 December 2016 and expiring 2 December 2020; and
 - c. 933,908 Options exercisable at \$0.708 each, vesting on 16 November 2020 and expiring 16 November 2021.

Dr Newman's total remuneration package

Dr Newman's total remuneration package for the 2019 financial year (including the total financial benefit to be received by Dr Newman as a result of the grant of the Director Options the subject of Resolution 3) is as follows:

Director	Total fixed remuneration (ie, annual base salary plus superannuation)	Short term incentive	Long term incentive
Dr Rob Newman	\$546,000	A bonus of up to a maximum of \$273,000 being 25% of Dr Newman's total remuneration package at Board's discretion and based on performance milestones.	Grant of Director Options to the value of \$273,000, being 25% of Dr Newman's total remuneration package.

Of Dr Newman's total remuneration package, 50% is 'at risk' and subject to the achievement of short term incentive and long term incentive performance hurdles.

Valuation of Director Options

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

Variable	
Share price	\$1.77
Exercise price	\$1.76
Expected life	4 years
Risk-free interest rate	2.15%
Volatility	57.88%
Time (years to expiry)	48 months
Vesting Condition	36 months
Dividend Yield	0%

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

- (a) the underlying value of each Share the subject of a Director Option has been valued based on the ASX's closing price of the Shares of \$1.77 on 25 September 2018;
- (b) the exercise price of each Director Option as at their date of issue will be the higher of \$1.60 and the five-day volume weighted average price of the Shares as traded on ASX over the five trading days prior to the date of the Meeting;
- (c) risk free rate of return – 2.15% derived from the implied zero coupon yield from Australian government bonds as at 25 September 2018;
- (d) volatility of the Share price of 57.88%, as determined from the historic volatility of the market price of the Shares, as traded on ASX, and the mean reversion tendency of volatilities;
- (e) no adjustment has been made to the fair value of the Director Options for potential dilution; and
- (f) 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 above assumptions, it is considered that the estimated average value of the Director Options to be granted to Dr Newman is \$0.675 per Director Option.

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

KEY TERMS AND CONDITIONS OF THE DIRECTOR OPTIONS TO BE GRANTED TO DR NEWMAN

The key terms and conditions of the Director Options proposed to be granted to Dr Newman are set out below and in Annexure A to this Explanatory Memorandum.

The Director Options proposed to be issued to Dr Newman are **not** being issued under the Plan and are being issued on the terms as set out below and in Annexure A. 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 rules, the terms as set out in Annexure A prevail to the extent of the inconsistency.

Amount of grant

In accordance with the remuneration package approved by the Board for the 2019 financial year, Dr Newman is entitled to the grant of Director Options equal to 25% (being \$273,000) of his total remuneration package which is \$1,092,000.

The maximum number of Director Options to be issued to Dr Newman will be determined by dividing the entitlement (ie. \$273,000) by the value of a Director Option (which will be determined using a Monte Carlo valuation methodology on the business day prior to the date of the Meeting). The formula for calculating the number of Director Options to be issued to Dr Newman is set out below:

The maximum number of Director Options to be issued to Dr Newman will be calculated by dividing the value of the Director Options which Dr Newman is proposed to be granted pursuant to this Resolution 3 (being \$273,000) by the value given to one Director Option using the Monte Carlo Model (calculated in accordance with the methodology described above under the heading 'Valuation of Director Options') on the business day prior to the date of the Meeting. For example, if the value of a Director Option (calculated using the Monte Carlo Model) was \$0.675 on the business day prior to the date of the Meeting, the maximum number of Director Options to be issued to Dr Newman pursuant to this Resolution 3 would be 404,444 Director Options (being \$273,000/ \$0.675).

Each Director Option provides an entitlement to one Share on satisfaction of the Vesting Condition (defined below) and payment of the exercise price for the Director Option.

Exercise price and expiry date

Each Director Option will have an exercise price that is equal to the higher of:

- \$1.60; or
- the five day volume weighted average price of the Company's Shares as traded on ASX over the five trading days prior to the date of the Meeting.

A Director Option which has become exercisable but which has not been exercised by the date which is four years after the date of grant of the Director Options will automatically lapse.

Vesting conditions

Each of the Director Options to be granted to Dr Newman will be subject to a total shareholder return (TSR) growth performance vesting condition. TSR is a measure of the increase in the price of a Share (assuming dividends are reinvested). The number of Director Options that will vest (and become exercisable by Dr Newman) will be determined by reference to the achievement of a percentage of the Company's annual compound growth rate (CAGR) in TSR (**Vesting Condition**) over the period commencing on the date of grant of the Director Options and ending on the date that is three years from the date of grant of the Director Options (**Performance Period**) as follows:

CAGR % achieved	% of Director Options which will vest
15%	50%
16%	60%
17%	70%
18%	80%
19%	90%
20%	100%

If the relevant Vesting Condition is satisfied at the end of the Performance Period, the percentage of Director Options that vest in accordance with the above vesting scale will become exercisable.

If the Director Options fail to meet any relevant Vesting Condition set out in the above vesting scale at the end of the Performance Period they will immediately lapse. There will be no re-testing.

Vesting of Director Options

Upon vesting of the Director Options, Dr Newman may, by payment of the exercise price for each Director Option at any time up until the date which is four years after the date of grant of the Director Options, exercise the Director Options. On exercise of a Director Option, the Company will either issue Dr Newman with one Share or acquire one Share on-market for Dr Newman. No amount is payable by Dr Newman for the grant of the Director Options. Each Director Option will have an exercise price that is equal to the higher of:

- \$1.60; or
- the five day volume weighted average price of the Company's Shares as traded on ASX over the five trading days prior to the date of the Meeting.

INFORMATION REQUIREMENTS – LISTING RULES 10.11 AND 10.13

Listing Rule 10.11 requires Shareholder approval by ordinary resolution for 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 additional information in relation to the Director Options is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the Director Options will be granted to the Company's CEO and managing director, Dr Newman, or his nominee. Dr Newman is a Director;
- (b) the formula for calculating the maximum number of Director Options to be issued to Dr Newman is described on page 4 of this Explanatory Memorandum;
- (c) the Director Options will be issued on a date which will be no later than 1 month after the date of the 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 above and in Annexure A to this Explanatory Memorandum and in the Plan rules.

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 3. The voting exclusion statement is set out in the Notice.

Directors' recommendation

The Board, other than Dr Newman, consider that the grant of Director Options to Dr Newman to be appropriate in all circumstances and unanimously recommends that Shareholders vote in favour of Resolution 3. Dr Newman declined to make a recommendation about Resolution 3 as he has a material personal interest in the outcome of the Resolution, as they relate to the proposed grant of Director Options. The Chair of the Meeting intends to vote any undirected proxies in favour of the grant of Director Options to Dr Newman.

RESOLUTION 4 – APPROVAL OF AMENDMENT TO THE EMPLOYEE SHARE OPTION PLAN

Background

The Company operates an employee share option plan called the "Nearmap Ltd Employee Share Option Plan" (**Plan**). Under the Plan, employees (including salaried Directors, subject to additional shareholder approval pursuant to Listing Rule 10.14) may be offered the opportunity to subscribe for Options to acquire Shares in the Company as part of the Company's employee incentive arrangements and to strengthen links between the Company and its employees. The terms of the current Plan were last approved by Shareholders at the Company's Annual General Meeting held on 30 November 2015.

The Plan is designed to provide incentives to the employees of the Company and to recognise their contribution to the Company's success. In the Company's current circumstances, the Directors consider that the incentives to employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to attract employees of experience and ability who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by providing an incentive to the employees to achieve the long term objectives of the Company and fostering and promoting loyalty between the Company and its employees by encouraging personnel to acquire and retain significant shareholdings in the Company.

The Plan includes an Employee Loan Scheme that permits the Company to provide a loan to employees (or their permitted nominees) to assist them to fund the exercise of Options and acquire Shares. Under the terms of the Plan, employees or their permitted nominee, as the case may be, are able to apply for a loan to enable the exercise of Options which will be provided once the vesting conditions (if any) of the eligible Options are satisfied and the Option may be exercised. The Company also has the right to obtain security over any Shares that are acquired by employees, or their permitted nominees as the case may be, using loans granted under the Plan.

The Company is also proposing to amend the Plan to facilitate the grant of Options to employees of the Company resident in the United States of America, which qualify as an "incentive stock option" for United States income tax purposes under

section 422 of the United States Internal Revenue Code (**Incentive Stock Option**). The amendments proposed only apply to employees of the Company who are residents of the United States.

Certain terms of the Plan are incorporated by reference into the Option terms for those Options previously issued under the Plan. To the extent that those Plan terms are amended, the Company is also seeking shareholder approval to amend the associated Option terms, so that the Option terms remain consistent with the Plan.

Corporations Act approvals

Financial Assistance

Pursuant to section 260A of the Corporations Act, a company may financially assist persons to acquire shares in itself only if:

- (a) giving the assistance does not materially prejudice: (i) the interests of the company or its shareholders; or (ii) the company's ability to pay its creditors;
- (b) the assistance is approved by the company's shareholders in accordance with section 260B of the Corporations Act; or
- (c) the assistance is exempt under section 260C of the Corporations Act.

Under section 260C(4) of the Corporations Act, the granting of financial assistance does not require shareholder approval if the assistance is made under an employee share scheme that has been approved by shareholders.

The Directors do not consider that the provision of the loans under the Plan will materially affect the Company's ability to pay its creditors as it does not involve any actual payments of cash, nor does it involve the Company disposing of any assets.

The Directors do not consider that the giving of the financial assistance will be likely to materially prejudice the interests of the Company or its Shareholders or the Company's ability to pay its creditors.

As the loan funds are used for payment of the exercise price payable on exercise of the Options, the funds will be immediately returned to the Company in the form of subscription money (i.e., the exercise price). The granting of the loans will therefore have no effect on the Company's cashflow (other than in respect of any costs associated with the granting of the loans which are not expected to be material).

Reasons for providing the financial assistance under the Plan

The financial assistance will assist employees (including salaried Directors) to participate in the Plan by exercising Options that they hold.

The success of the Company and its Shareholders depends greatly on the people employed by the Company. To maintain and improve performance, the Company has an ongoing need to motivate, incentivise and retain an experienced and dedicated management team and key employees and to recognise the significant past contributions of key employees.

The provision of the financial assistance when used as part of the Plan provides additional means to achieve this goal and will continue to:

- (a) provide an incentive to employees to work to improve the performance of the Company;
- (b) attract and retain valued employees essential for the continued growth and development of the Company;
- (c) establish a sense of ownership in the Company for the employees;
- (d) promote and foster loyalty and support amongst employees for the benefit of both the employees and the Company;
- (e) enhance the relationship between the Company and its employees for the long term mutual benefit of all parties; and
- (f) enable the Company to attract high calibre individuals, who can bring expertise to the Company.

The Directors consider that the limited recourse nature of the loan will provide a strong incentive to employees, or their permitted nominees as the case may be, to exercise their Options and enable the Company to achieve the goals stated above as it removes the risk of the employee, or permitted nominee as the case may be, suffering any loss if Shares acquired under the Plan are subsequently sold for a value less than their exercise price and any interest on the loan. The Directors consider that the benefits that will be achieved by offering a limited recourse loan exceed the potential detriment

to the Company of the loan and any interest on the loan not being fully repaid in the event of a loss on the sale of the Shares.

Security over own Shares

Section 259B of the Corporations Act prevents a company from taking security over its shares unless the security is obtained pursuant to an employee share scheme that has been approved by shareholders.

Shareholder Approvals

Approval is therefore sought under Resolution 5 for the Plan. Although these approvals were obtained on 30 November 2015, as it is proposed to amend the Plan, the same approvals are again sought under Resolution 4 in respect of the amended Plan. If Resolution 4 is passed, the Company will be able to grant loans to Eligible Persons, or their permitted nominees, as the case may be, and to obtain security over Shares acquired using the loan in accordance with the Plan without the need for further Shareholder approval to be obtained when each loan is granted. If loans are granted to a salaried Director, shareholder approval may also be required under section 208 (related party approval) of the Corporations Act.

US Appendix Approval

Shareholder approval is being sought for amendment of the Plan to include the terms and conditions set out in the US Appendix. The purposes of the US Appendix are to ensure that Options granted under the Plan to US resident employees comply with applicable United States law and to enable the Company to grant Options under the Plan to US resident employees that will qualify as Incentive Stock Options and to issue up to 10 million Shares in the aggregate upon the exercise of Options granted to US residents. The Board amended the Plan on 6 November 2017 to add the US Appendix. The US Appendix will become effective only if it is approved by the Shareholders no later than the first anniversary of that date. Approval of this Resolution 4 to amend the Plan will constitute approval of the US Appendix.

Listing Rule approval

Listing Rule 7.1 requires listed entities to obtain shareholder approval for any issue of equity securities in any 12 month period that amounts to more than 15% of the number of fully paid ordinary securities in the company then on issue. Listing Rule 7.2 lists a number of exemptions to this rule. Listing Rule 7.2, Exception 9 exempts securities issued under an employee incentive scheme from Listing Rule 7.1 where the scheme was approved by shareholders at a general meeting within 3 years prior to the issue provided that the terms of the scheme do not materially change in those 3 years.

As approval for the issue of the securities under the Plan was last obtained on 30 November 2015, and it is proposed to amend the Plan, approval is sought under Resolution 4 for the issue of securities under the terms of the Plan, including the amendments described in this Explanatory Memorandum for the purposes of Listing Rule 7.2, Exception 9(b).

In accordance with the requirements of Listing Rule 7.2 Exception 9(b) the following information is provided:

- (a) A summary of the current terms of the Plan, and the proposed amendments to the Plan is set out below. A copy of the Plan rules (with the proposed amendments) are accessible at www.nearmap.com under Corporate Governance.
- (b) This will be the first approval sought under Listing Rule 7.2 Exception 9(b) in relation to the Plan with the amendments as summarised below. The Company obtained approval for the issue of Options under the terms of the Plan (without the amendments summarised below) for the purposes of Listing Rule 7.2 Exception 9(b) at its Annual General Meeting on 30 November 2015. The table below sets out the number of Options issued under the Plan since the date of last approval:

Issue Date	Number of Options	Exercise Price	Expiry Date
01/12/2015	2,500,000	\$0.56	30/11/2019
21/12/2015	1,473,335	\$0.56	30/11/2019
21/12/2015	400,000	\$0.40	30/11/2020
01/02/2016	1,500,000	\$0.39	31/01/2021
01/02/2016	1,500,000	\$0.39	30/11/2021
29/03/2016	2,500,000	\$0.551	18/03/2020
29/03/2016	1,500,000	\$0.395	18/03/2020
27/05/2016	1,000,000	\$0.68	20/05/2020
28/07/2016	200,000	\$0.405	28/06/2021

04/11/2016	200,000	\$0.73	11/10/2021
02/11/2016	2,000,000	\$1.06	02/12/2020
14/12/2016	1,666,667	\$0.93	12/12/2020
30/06/2017	1,989,255	\$0.64	20/03/2021
05/12/2017	4,605,186	\$0.708	16/11/2021
27/02/2018	1,000,000	\$0.82	16/02/2022

(c) a voting exclusion statement has been included for the purposes of Resolution 4.

Approval is hereby sought for the purposes of Listing Rule 7.2, Exception 9(b), sections 259B(2) and 260C(4) of the Corporations Act and for all other purposes for the issue of Options under the terms of the Plan as amended by Resolution 4, and to amend the terms of the Options on issue pursuant to the Plan to the extent that the amendments to the Plan amend the terms of those Options (which incorporate the Plan as it existed at the time of their issue). This resolution does not seek approval for the issue of further Options under the Plan, nor does it seek to change the vesting conditions, the exercise price or the expiry date of the Options already issued.

Summary of proposed terms of Plan (with the proposed new amendments)

General Rules

Under the Plan, the Board may offer to "Eligible Persons" (a person who is then an employee (whether full-time or part-time) of the Company and Associated Body Corporates including salaried Directors) the opportunity to subscribe for such number of Options as the Board may decide and on the terms set out in the rules of the Plan. The Board may determine that any "Eligible Person" is entitled to participate in the Plan, and the extent of that participation. Prior to making that determination, the Board must consider seniority and position, length of service, record of employment, potential contribution, the extent (if any) of any existing participation in the Plan and any other matters the Board considers relevant.

Options granted under the Plan will be granted for no monetary consideration. The exercise price of an Option under the Plan will be determined by the Board with regard to the market value of Shares at the time it resolves to offer the Options to Eligible Persons.

The Plan has introduced flexibility for the Participant to request for their vested Options to be sold to the Company's nominated broker to facilitate the exercise of Options and sale of shares in a single transaction.

The total number of Options that may be offered under the Plan to employees that are not executive officers (including any Options previously issued under the Plan, any Options issued and exercised in the 5 years prior to the date of the offer and any Shares or Options issued under any other employee share schemes) must not exceed 5% of the total number of issued Shares in the Company as at the time any offer under the Plan is made.

The Company can grant financial assistance by way of loans to enable Eligible Persons, or permitted nominees as the case may be, to exercise Options that have been granted to them (or brought under) under the Plan. The Company can take security over Shares obtained by Eligible Persons, or permitted nominees as the case may be, to secure repayment of the loan.

The Company may invite Eligible Persons, or permitted nominees as the case may be, to apply for a loan at the time of grant of Options (or at such other time as the Board determined) and to pre-approve the loan at that time (or such other time). The Plan does not specify a maximum amount for a loan and the granting of a loan is at the discretion of the Company. In deciding whether to approve the loan the Company will consider the seniority of the employee, their length of service with the Company, their record of employment, the potential contribution of that person to the growth of the Company, any loans already granted to the employee (if any) and any other matters which are relevant. The Company will provide the loan at the time of exercise of the Options where the volume weighted average price of Shares as listed on the ASX for the preceding 20 days is greater than the exercise price of the relevant Option.

The Plan allows the Company to determine the rate of Interest applicable to Loans offered under the plan (which may be nil). Previously the interest rate was set at the "Statutory Interest Rate" as defined in section 136 of the *Fringe Benefits Assessment Act 1986* (Cth) and as published each year by the Commissioner of Taxation.

The loan will have a term of 4 years from the date the Options are exercised subject to early repayment in the event that the relevant employee ceases to be employed by the Company or when the employee, or permitted nominee as the case may be, sells the Shares obtained using the loan. The Board may extend the period of repayment of the loan where it sees

fit. Shares acquired using the loans will be subject to a holding lock which will effectively prevent the Shares from being transferred unless the loan and any interest is either repaid or the Shares are sold to enable the loan and any interest to be repaid. The Company may also obtain further security over the Shares (for instance, by way of a lien or share mortgage) if it decides that this is necessary. The Plan provides flexibility for the Company to require the sale of some or all of a participant's loan shares to repay the loan. The Plan also provides flexibility for a participant to repay some (but not all) of the balance of any amount outstanding in respect of a loan and obtain partial release of a proportionate number of Shares obtained using the loan from holding lock.

The loans will also be of limited recourse. That is, in the event the Shares obtained under the loan are sold for an amount less than the amount of the loan and any interest, the employee, or permitted nominee as the case may be, will only be required to repay the loan and any interest to the amount of the sale proceeds. For example, if the amount of a loan and interest was \$150,000, and the Shares obtained under the loan were later sold for \$50,000, the employee will only be required to pay \$50,000. The Company will have no other recourse against the employee, or Permitted Nominee as the case may be, in respect of the balance of the loan and any interest not met by the sale proceeds. In the event that the Shares obtained under the loan are sold for an amount greater than the amount of the loan and any interest, the employee, or the Permitted Nominee as the case may be, would be entitled to any excess of the sale proceeds over the outstanding amount of the loan and any interest.

The Plan also contains provisions in relation to the treatment of vested and unvested Options on a change of control. The Plan provides that unvested Options will lapse on certain events, including a change of control event, to the extent that such Options are 'out of the money' at that time. To the extent unvested Options are 'in the money', they will immediately vest and become capable of exercise.

Any dividends paid in respect of the Shares acquired using the loans will be automatically directed towards repaying the loan and any interest (subject to a 50% allowance for tax purposes if the dividends are not fully franked). The employee, or Permitted Nominee, as the case may be, will be entitled to exercise any voting rights attached to Shares acquired using the loans as he or she sees fit.

The loans will be available to employees of the Company only. Salaried Directors will also be eligible to receive loans for Options granted under, or brought under, the Plan.

The Company may establish the Trust to support the operation of the Plan, which will allow a trustee to acquire Shares in the Company (either on market or newly issued Shares) and allocate Shares to the relevant participants in the Plan upon exercise of Options. If the Trust is established, the Company will provide funds to the trustee which will be applied to acquire Shares for the purposes of the Plan. If the Trust is established, it may also be used to hold Shares acquired using the loans to prevent the Shares from being transferred until the loan is repaid in full.

The exercise of Options granted under the Plan is subject to the Company's securities trading policy.

US Appendix - Rules applicable to US Persons

The Plan, as amended to add the US Appendix, has introduced additional provisions which apply to Options granted to employees of the Company (or its controlled entities) who are residents of the United States of America (**US Person**) in order for the Company to issue Options which qualify as "incentive stock options" under section 422 of the US Code (**Incentive Stock Options**) as well as Options which do not qualify as Incentive Stock Options (**Nonstatutory Options**) (Incentive Stock Options and Nonstatutory Options together, **US Options**). The total number of Shares that may be issued under the Plan on the exercise of Incentive Stock Options or other US Options issued under the Plan must not exceed 10 million Shares (as adjusted for capital reconstructions and reorganisations). US Options may be granted to any "Eligible Person" under the Plan, but Incentive Stock Options may only be granted to persons who are employees of the Company or a majority owned subsidiary corporation. No US Options may be granted pursuant to the US Appendix more than ten years after the date on which the US Appendix was adopted by the Board.

The exercise price of all US Options granted to US Persons must be no less than the fair market value of Shares at the time of the grant. However, the exercise price of Incentive Stock Options granted to a person who owns more than 10% of the voting power in the Company (**10% Holder**) must be an amount equal to at least 110% of the fair market value of Shares at the time of the grant. Where Incentive Stock Options become exercisable for the first time in a calendar year for Shares having a grant date fair market value that exceeds US\$100,000, the portion of such Incentive Stock Options which exceed this amount will be treated as Nonstatutory Options.

Incentive Stock Options must lapse no later than 10 years after the date of their grant (other than for a 10% Holder, whose Incentive Stock Options must lapse no later than 5 years after the date of their grant). Incentive Stock Options are not transferable other than by will or the laws of descent and distribution, and during his or her lifetime may only be exercised by the US employee option holder.

In order for an exercise to be treated as an exercise of an Incentive Stock Option, the US Person must be continuously employed by the Company (or a majority owned subsidiary corporation) from the date of the grant until 3 months before the exercise date, except where termination of employment results from disability or death. The exercise will otherwise be treated as the exercise of a Nonstatutory Option.

The US Appendix allows the Company to withhold amounts (including salary) payable to a U.S. Person to satisfy any tax liability or social insurance contributions required to be withheld by law in connection with the US Options. To satisfy any such tax withholding obligations, the Company may also deduct from Shares issuable on exercise of US Options or accept the tender of Shares at fair market value.

All US Options granted to U.S. Persons are intended to comply with, or otherwise be exempt from, Section 409A of the US Code, which broadly imposes taxes on deferred compensation. The Board has the power, without the consent of the Option holder, to amend any provision of the Plan or the terms of the grant to comply with, or otherwise exempt any election, payment or benefit made in connection with the US Options from Section 409A of the US Code.

The grant of US Options to U.S. Persons, and the issue of Shares on exercise of such Options, are subject to U.S. federal and state securities laws.

Effect of the proposed amendments

For United States income tax purposes, the Options granted to those US employees on or about 17 November 2017 and Options granted in the future to US employees will qualify as Incentive Stock Options.

Directors' recommendation

The Directors recommend Shareholders vote in favour of this Resolution 4. The Chair of the Meeting intends to vote any undirected proxies in favour of approving the amendment to the Plan.

RESOLUTION 5 – APPROVAL OF MATCHING SHARE RIGHTS PLAN

Background

The Company's Directors believe the Matching Share Rights Plan will form an important part of a comprehensive remuneration strategy for the Company's employees, aligning their interest with those of Shareholders by linking their rewards to the long term success of the Company and its financial performance. The Company seeks the approval of the Matching Share Rights Plan.

Nearmap engaged DLA Piper to advise and prepare the relevant documentation to implement the Matching Share Rights Plan based on instructions provided by Nearmap management. The advice related to compliance with laws in Australia and the United States that would apply to the Matching Share Rights Plans and the rules that would apply to the Matching Share Rights Plan. Outside of this, Ernst & Young were separately engaged to advise Nearmap on tax implications (in Australia and the United States) for the implementation (and ongoing management) of the Matching Share Rights Plan. Nearmap management are satisfied with the advice and Matching Share Rights Plan documentation provided by both DLA Piper and Ernst & Young for the purposes of implementing the Matching Share Rights Plan in accordance with applicable laws.

ASX Listing Rule 7.2, Exception 9(b) provides that an issue of securities made under an employee incentive scheme (such as the Matching Share Rights Plan) is not counted for the purposes of ASX Listing Rule 7.1 provided that certain conditions have been met. One of these conditions is that members have, within the last three years, approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1. Such shareholder approval is sought by Resolution 5.

Listing Rule approval

Listing Rule 7.1 requires listed entities to obtain shareholder approval for any issue of equity securities in any 12 month period that amounts to more than 15% of the number of fully paid ordinary securities in the company then on issue.

Listing Rule 7.2 lists a number of exemptions to this rule. Listing Rule 7.2, Exception 9(b) exempts securities issued under an employee incentive scheme from Listing Rule 7.1 where, within 3 years before the issue date, the scheme was approved by shareholders at a general meeting, provided that the terms of the scheme do not materially change in those 3 years.

The Company seeks Shareholder approval of the issue of certain shares under the Matching Share Rights Plan in order for the issue of these securities to be excluded from the 15% limit. In accordance with requirements of Listing Rule 7.2, Exception 9(b) the following information is provided:

- (a) a summary of the terms of the proposed Matching Share Rights Plan is set out below; and
- (b) this will be the first approval sought under Listing Rule 7.2, Exception 9(b) in relation to the Matching Share Rights Plans; and
- (c) a voting exclusion statement has been included for the purposes of Resolution 5.

Summary of proposed terms of Plan

For the purposes of approval pursuant to Listing Rule 7.2, Exception 9(b) to Listing Rule 7.1 a summary of the terms of Matching Share Rights Plans are set out as follows:

- (a) The total number of shares that may be granted to employees under the Matching Share Rights Plans is limited with reference to the ASIC Class Order applicable to the Matching Share Rights Plan.
- (b) In accordance with the terms of the Matching Share Rights Plan, the Board may decide:
 - (i) which employee or Director is eligible to participate in the Matching Share Rights Plan;
 - (ii) the maximum value of acquired shares that may be purchased by an eligible employee;
 - (iii) the price of acquired shares offered under the Matching Share Rights Plan;
 - (iv) the ratio of matching share rights to acquired shares that are awarded to a participant in the Matching Share Rights Plan;
 - (v) in the case of a matching share right, the date on which that matching share right is granted to a participant in the Matching Share Rights Plan;
 - (vi) in the case of a matching share right, the vesting conditions (if any) which must be met prior to the vesting of a matching share right; and
 - (vii) the method by which shares may be acquired by a participant which includes:
 - (A) by way of allotment and issue of shares by the Company to the trustee;
 - (B) by way of transfer, including transfer or allocation of any share then held on an unallocated basis by the trustee in the trust; or
 - (C) by the Company or the trustee acquiring shares in the ordinary course of trading or otherwise on a trading day on the ASX,
- (c) The Board has determined to establish a trust by way of a trust deed and appoint a person or entity as a trustee for the purposes of the Matching Share Rights Plan who will:
 - (i) hold and deal with property subject to the trust in accordance with the Matching Share Rights Plan and the applicable trust deed;
 - (ii) administer the trust and hold shares under the Matching Share Rights Plan and the applicable trust deed; and
 - (iii) any other procedures determined by the Company and as agreed to between the Board and the Trustee.
- (d) No loan arrangements or financial assistance will be provided by the Company to eligible employees in connection with the Matching Share Rights Plan.

At the date of this Notice of Meeting, no acquired shares have been granted to the Company's employees under the Matching Share Rights Plan.

On 1 June 2018, the Company issued the first invitation to the Company's employees to participate in the Matching Share Rights Plan, a summary of the terms of initial invitation are set out as follows:

- (a) only permanent employees of the Company (and its subsidiaries) who have passed probation ("Eligible Employees") are eligible to participate in the Matching Rights Share;

- (b) Eligible Employees may nominate an amount up to 10% of their after tax base salary, over a six (6) month period from 1 July 2017 to 31 December 2018 ("Contributions");
- (c) the Matching Share Rights Plan will be administered by Computershare Investor Services Pty Limited as trustee of the employee share trust ("Trustee");
- (d) the Trustee will use the Contributions to fund the purchase of shares on behalf of the Eligible Employees, which shall be allocated to the Eligible Employee on 31 December 2018 ("Acquired Shares");
- (e) for each three shares purchased by the Eligible Employees with the Contributions, the Company grants the Eligible Employee one matching right ("Matching Share Rights");
- (f) Matching Share Rights vest 6 months after they are granted, on 1 July 2019, subject to the employee remaining employed by the Company on that date.
- (g) If the Eligible Employee sells or transfers any of their Acquired Shares, they will forfeit their Matching Share Rights.

The Company proposes to invite Eligible Employees to participate in the Matching Share Rights Plan on a bi-annual basis.

Directors' recommendation

The Directors recommend Shareholders vote in favour of this Resolution 5. The Chair of the Meeting intends to vote any undirected proxies in favour of approving the Matching Share Rights Plan.

RESOLUTION 6 – INCREASE AGGREGATE FEE POOL FOR NON-EXECUTIVE DIRECTORS

Background

Shareholder approval is sought to increase the maximum total amount available for payment by way of remuneration to non-executive Directors from \$500,000 to \$850,000 per annum, being an increase of \$350,000.

The Company's Constitution provides that the total aggregate remuneration that may be paid to non-executive Directors may not exceed in total in any year the amount fixed by the Company in general meeting. The fixed sum may be varied by ordinary resolution of Shareholders in general meeting.

Further, Listing Rule 10.17 provides that a listed company must not, without shareholder approval, increase the total amount of non-executive Directors' fees.

The current fee pool for non-executive Directors of \$500,000 was fixed at the Company's 2015 Annual General Meeting.

The non-executive Directors of the Company are Messrs Peter James, Ross Norgard, Cliff Rosenberg, Ian Morris and Ms Susan Klose. Details of the current remuneration for non-executive Directors is set out below.

Director	Non-executive Remuneration	Director	Additional Chair Remuneration	Committee Member Remuneration	Additional Committee Member Remuneration
Mr Peter James ¹	\$135,000		-		-
Mr Ross Norgard	\$70,000		-		\$10,000
Mr Cliff Rosenberg	\$70,000		\$10,000		\$5,000
Mr Ian Morris	\$70,000		-		\$5,000
Ms Susan Klose	\$70,000		-		\$10,000

1. Mr James' annual remuneration as a non-executive Director and Chairman of the Board is inclusive of Committee fees. Mr James is a member of the Audit and Risk Committee and Nomination and Remuneration Committee.

The amounts above include superannuation contributions made by the Company for the benefit of non-executive Directors and any fees which a non-executive Director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out of pocket expense, genuine "special exertion" fees paid in accordance with the Constitution, or securities issued to a non-executive Director under Listing Rules 10.11 or 10.14 with approval of Shareholders.

The maximum aggregate amount of fees proposed to be paid to the non-executive Directors per annum has been determined after reviewing similar companies listed on ASX and the Directors believe that this level of remuneration is in line with corporate remuneration of similar companies.

Details of the securities which have been issued to a non-executive Director (or their nominees) under Listing Rule 10.11 and 10.14 with the approval of Shareholders in the past 3 years are as set out in the table below.

Name	Date of Issue	Number and type of Security
Mr Peter James	29 March 2016	2,500,000 Director Options exercisable at \$0.551 vesting in three equal tranches on 18 March 2017, 18 March 2018 and 18 March 2019 and expiring 18 March 2020
Mr Ross Norgard	-	-
Mr Cliff Rosenberg	1 December 2015	1,500,000 Director Options, exercisable at \$0.56 each and vesting in equal tranches 12, 24 and 36 months and expiring 30 November 2019.
Mr Ian Morris	29 March 2016	1,500,000 Director Options exercisable at \$0.395 vesting in three equal tranches on 18 March 2017, 18 March 2018 and 18 March 2019 and expiring 18 March 2020
Ms Susan Klose	-	-

Reasons for the increase

The total fees payable to the current non-executive Directors will still remain below the current cap of \$500,000, and it is not envisaged that the proposed increase to the fee pool will be utilised immediately. However, the increase is sought to ensure that the Company:

- (a) has the ability to attract and retain new non-executive Directors whose skills and qualifications are appropriate for a company of the size and nature of the Company;
- (b) maintains its capacity to remunerate both existing and any new non-executive Directors joining the Board; and
- (c) remunerates its non-executive Directors appropriately for the expectations placed upon them both by the Company and the regulatory environment in which it operates.

Voting

Note that a voting exclusion applies to Resolution 6. The voting exclusion statement is set out in the Notice.

Directors' recommendation

Dr Newman recommends Shareholders vote in favour of this Resolution 6. Messrs James, Norgard, Rosenberg, Morris and Ms Klose decline from making a recommendation as the resolution relates to the remuneration of non-executive Directors. The Chair of the Meeting intends to vote any undirected proxies in favour of approving the increase to the maximum aggregate fee pool for non-executive Directors.

GLOSSARY

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

"**Annual Report**" means the 2018 annual report of the Company;

"**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;

"**CAGR**" means compound annual growth rate;

"**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 to be granted to Dr Rob Newman having the terms and conditions set out in in the Explanatory Memorandum and Annexure A;

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

"**Employee Loan Scheme**" means the loan scheme which forms part of the Plan;

"**Explanatory Memorandum**" means the explanatory memorandum accompanying this Notice;

"**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;

"**Incentive Stock Option**" means an Option that qualifies as an "incentive stock option" under section 422 of the US Code;

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

"**Listing Rules**" means the Listing Rules of the ASX;

"**Meeting**" or "**Annual General Meeting**" means the annual general meeting the subject of the Notice;

"**Nonstatutory Options**" means Options which do not qualify as Incentive Stock Options;

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

"**Option**" means an option to acquire a Share;

"**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;

"**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;

"**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;

"**TSR**" means total shareholder return;

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

"**US Code**" means the United States Internal Revenue Code;

"**US Options**" means Incentive Stock Options and Nonstatutory Options;

"**US Person**" means an Eligible Person who is a resident of the United States of America; and

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

ANNEXURE A

TERMS AND CONDITIONS OF DIRECTOR OPTIONS

General Terms:

1. The exercise price of each Director Option will be the amount which is the higher of:
 - (a) \$1.60; or
 - (b) the five day volume weighted average price of the Company's Shares as traded on ASX over the five trading days prior to the date of the 2018 Annual General Meeting,

("Exercise Price").
2. The Director Options will vest, subject to the satisfaction of the vesting conditions which apply to them, on the date which is three years after their date of grant.
3. The Director Options will expire on the date which is four years after their date of grant ("Expiry Date").
4. Each Director Option will, on exercise, confer the right to acquire one Share, which will rank pari passu with existing issued Shares.
5. To the extent possible, the Director Options must be exercised in multiples of 25,000, unless all of the Director Options, to the extent that they have Vested, are being exercised at the relevant time. The exercise of some of the Director Options does not affect the Holder's right to exercise other Director Options at a later time.
6. The Director Options are, once Vested, exercisable by provision of notice in writing by the Holder to the Company ("Notice of Exercise"). The Notice of Exercise may be provided to the Company Secretary (or such other person as the Board designates) at any time after the Vesting Date but on or before the Expiry Date. The notice of Exercise must specify the number of Director Options being exercised and must be accompanied by the Exercise Price (in cleared funds), and the Option Certificate for the Director Options being exercised, for cancellation by Nearmap. Exercise of the Director 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 Director Options in accordance with Term 6 above.
8. The Company will not apply for official quotation on ASX of the Director Options.
9. The Company will (if required) in accordance with the Listing Rules make application to have Shares allocated pursuant to the exercise of Director Options listed for official quotation, in any event no later than 15 Business Days after the exercise of the Director Options.
10. In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company (not being a reconstruction referred to in Term 17 below) , the number of the Director Options or the Exercise Price of the Director Options or both will be adjusted in accordance with the Listing Rules (if applicable) and in a manner which will not result in any additional benefits being conferred on the Holder which is not conferred on holders of Shares, but in all other respects the terms of exercise will remain the same.
11. A Director Option 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 Director 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 Director Options:

- (a) Vested Director Options may be exercised after 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 Director 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 Director 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 Director Options that become exercisable under this Term and are not exercised by the Expiry Date or other relevant period will lapse.

13. If Dr Newman terminates his employment or directorship with the Company or the Company terminates his employment or directorship then:

- (a) any Unvested Director 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 the Company or Dr Newman terminated the employment or directorship. If the Director 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 Director Options immediately lapse; and
- (b) the Holder may exercise any Vested Options which they hold at any time prior to the earlier of the Expiry Date and the date which is 30 days from the date on which Dr Newman's 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 Director Options;
- (b) whether or not he becomes so registered, exercise those Director 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 Director 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 Dr Newman.

16. A Director Option will immediately lapse:

- (a) on exercise of the Director Option;

- (b) if the Director Option has not been previously exercised, on the Expiry Date;
 - (c) at the end of the period referred to in Term 13 above, if such Term applies to the Director Option;
 - (d) at the end of the period referred to in Term 14 above, if such Term applies to the Director Option;
 - (e) at the end of the period referred to in Term 15 above, if such Term applies to the Director Option; or
 - (f) upon the bankruptcy, commencement of winding up or deregistration of the Holder (as appropriate).
17. The following conditions also apply to the Director Options:
- (a) A Holder may only participate in new issues of securities to holders of Shares if the Director Options have been exercised, if that is permitted by their terms, and the Shares in respect of the exercise of the Director Options have been allocated before the date for determining entitlements to the issue. The Company must give notice as required under the Listing Rules to the Holder of any new issue before the record date for determining entitlements to the issue in accordance with the Listing Rules.
 - (b) If the Company 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 Director Options before the date for determining entitlements to the pro rata issue, then the Exercise Price of the Director Options will be adjusted in the manner provided for in the Listing Rules.
 - (c) If the Company 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 Director Options before the date for determining entitlements to the Bonus Issue, then the number of securities over which the Director Options are exercisable will be increased by the number of securities which the Holder would have received if the Director Options had been exercised before the record date for the Bonus Issue ("**Bonus Shares**"). The Bonus Shares must be paid up by the Company 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.
18. Effect will be given to Terms 10 and 17 in such manner that the effect of the successive applications of them are cumulative, with the intention being that the adjustments they progressively effect reflect previous adjustments.
19. The Director Options will not give the Holder and right to participate in dividends until Shares are allocated pursuant to exercise of the Director Options.
20. Every report and other document sent by the Company to its Shareholders generally must also be sent to the Holder while the Holder holds Director Options.

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;

"**Holder**" means, in relation to a Director Option, the person (whether Dr Newman, a Permitted Nominee or their legal personal representative) entered into Nearmap's register of option holders as the holder of that Director 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 to accept the offer of Director Options made to Dr Newman in place of Dr Newman;

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

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

"**Total and Permanent Disablement**" means that Dr Newman 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 Dr Newman 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 a Director Option that is not yet capable of being exercised; and

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