

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the shareholders of AUDIO PIXELS HOLDINGS LIMITED will be held at the following time and place:

Time: 9:30am
Date: Wednesday 31 May 2017
Place: Barnet Room, The Westin Sydney, No. 1 Martin Place,
Sydney, NSW, 2000 Australia

ORDINARY BUSINESS

Resolution 1. - Consideration of Financial Statements

"To receive and consider the Financial Report, Directors' Report and Auditor's Report for the financial year ended 31 December 2016."

Resolution 2. - Re-election of Mr Fred Bart as a Director

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

"That Mr Fred Bart, who retires by rotation in accordance with the provisions of the Constitution of the Company, and, being eligible, be re-elected as a Director of the Company."

Resolution 3 - Remuneration Report

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

"To approve the remuneration report for the financial period ended 31 December 2016."

Resolution 4. - Extension of term of Convertible Note

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

"To approve the extension of the expiry date of the Convertible Note of \$1,500,000 to 4F Investments Pty Limited from 31 December 2016 to 31 December 2017."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by:

- Mr Fred Bart;
- Ms Cheryl Bart, and
- any associate of that person (or those persons).

However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further Information

Further Information on these resolutions is contained in the Explanatory Memorandum which accompanies this notice of general meeting.

DATED: 13 April 2017

By order of the Board



I A Dennis
Company Secretary

EXPLANATORY MEMORANDUM TO SHAREHOLDERS TO ACCOMPANY THE NOTICE OF ANNUAL GENERAL MEETING

This Memorandum has been prepared for the information of Shareholders of Audio Pixels Holdings Limited (referred to in this Memorandum as the “**Company**”) in connection with the business to be conducted at the Annual General Meeting of the Company to be held on Wednesday 31 May 2017 at 9.30 am.

Resolution 1. - Financial Report

The Corporations Act 2001 (Cth) (“Corporations Act”) requires the financial report (which includes the financial statements and directors’ declaration), the directors’ report and the auditor’s report for the last financial year to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or in the Constitution of the Company for shareholders to approve the financial report, the directors’ report or the auditor’s report. Shareholders will have reasonable opportunity at the meeting to ask questions and make comments on these reports and on the business and operations of the Company.

Resolution 2. - Re-election of Mr Fred Bart as a Director

Chairman and Chief Executive Officer. A director since 5 September 2000. He has been Chairman and Managing Director of numerous private companies since 1980, specialising in manufacturing, property and marketable securities. Mr Bart is also Chairman of Immunovative Therapies Limited, an Israeli company involved in the manufacture of cancer vaccines for the treatment of most forms of cancer. He is also Chairman of He is a member of the Audit Committee and a member of the Nomination and Remuneration Committee.

Resolution 3. - Remuneration Report

The Annual Report for the financial period ended 31 December 2016 contains a Remuneration Report which sets out the remuneration policy of the Company and the remuneration arrangements in place with the Directors.

Under the provisions of the Corporations Act 2001, the shareholder vote is advisory only and will not require the Company to alter any arrangements detailed in the Remuneration Report, should the resolution not be passed. Notwithstanding the legislative effect of this requirement, the Board has determined that it will take the outcome of the vote into consideration when considering the remuneration policy.

Resolution 4. - Extension of term of Convertible Notes

On 4 May 2015, the Company announced its intention to conduct a capital raising through the issue of Convertible Notes to two sophisticated Investors to raise \$3,000,000 (before costs). The first note of \$1,500,000 was issued on 28 May 2015 to an unrelated party and the second

note of \$1,500,000 was issued on 28 June 2015 to 4F Investments Pty Limited, a company controlled by the Chairman, Mr Fred Bart following shareholder approval at an Extraordinary General Meeting held on 22 June 2016.

The holders of the Convertible Notes have both agreed to extend the Convertible Notes to 31 December 2016 on the same terms and conditions as the original Convertible Notes and shareholder approval was obtained for the extension of the convertible note held by 4F Investments Pty Limited on 31 May 2016.

On 28 December 2016, the Company announced that both noteholders had agreed to a further extension of the convertible notes of twelve months to 31 December 2017. As 4F Investments Pty Limited is controlled by Fred Bart, Chairman of the Company, shareholder approval is required to extend its Convertible Note of \$1,500,000.

The terms of the Convertible Notes are detailed in the Explanatory Memorandum dated 15 May 2015 when the original approval was sought, being the Unsecured Convertible Note Agreement. A summary of the key terms is as follows:

Face Value:	Equal to the dollar amount of the Advance of \$1,500,000.
Maturity date:	31 December 2017.
Interest:	8% per annum payable quarterly in arrears.
Issue price:	Means the lower of the five day volume weighted average share price of Audio Pixels Holdings Limited on the date of the Agreement (\$9.68) or the five day volume weighted average share price of Audio Pixels Holdings Limited immediately prior to conversion.
Conversion:	Convertible by the Holder into ordinary shares at any time from the Issue Date.
Security:	Unsecured.
Listing status:	Not listed

Independent Directors Recommendation

Mr Ian Dennis, having no interest in the outcome of the Resolution 4 recommends that Shareholders vote in favour of the Resolution as it is on the same terms and conditions as the extension of the Convertible Note to an unrelated party.

PROXY FORM



I/We _____
(BLOCK LETTERS)

of _____

being the holder of _____ ordinary shares in Audio Pixels Holdings Limited hereby appoint:

SECTION A: Complete if you desire to appoint ONE proxy.*

Name: _____

of: _____

SECTION B: Complete if you desire to appoint TWO proxies.**

Name: _____

of: _____

to exercise _____ % of my voting rights; and

Name: _____

of: _____

to exercise _____ % of my voting rights.

+ or failing him or her, the Chairman of the meeting as my proxy to vote and act for me and on my behalf at the GENERAL MEETING of Audio Pixels Holdings Limited to be held on Wednesday 31 May 2017 and any adjournment thereof. The Chairman intends to vote all undirected proxies in favour of all resolutions except where a voting restriction applies.

Direction to proxy

Mark one of the three boxes for each resolution if you wish to direct the proxy how to vote. If no mark is made the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two proxies and wish them to vote differently this should be specified.

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box.

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Ordinary Resolutions	In favour of the resolution	Against the resolution	Abstain
Resolution 1 - No vote required			
Resolution 2 - Re-election of Mr Fred Bart as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 - Approval of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 - Extension of term of the Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed this _____ day of _____ 2017.

Signature of Shareholder(s)

NOTES ON PROXY FORMS FOR THE ANNUAL GENERAL MEETING

Notes on Completion of Proxy Forms

- * Complete section A if you desire to appoint one proxy.
- ** Complete section B if you desire to appoint two proxies.
- + Delete if the Chairman is not to be a proxy.

Signing of the proxy form

Each person registered as the holder of the above shares must sign the proxy form personally or by a duly appointed attorney or agent.

If a proxy is given by a corporation, a form of proxy must be executed under common seal of the corporation or under the hand of its attorney.

If a proxy is executed by an attorney of a member the attorney must declare that the attorney has no notice of revocation of the power of attorney and the relevant power of attorney if it has not already been noted by the company, must accompany the form of proxy.

Entitlement to appoint proxies

A member entitled to attend and vote at this meeting is entitled to appoint not more than two proxies who need not be members of the Company.

Where more than one proxy is appointed each proxy must be appointed to represent a specific proportion of the member's voting rights. A proxy need not be a member of the Company.

Lodgment of Proxy Form

Forms to appoint proxies must be lodged with the Company not later than 9.30 am on 29 May 2017 at the Registered Office of Audio Pixels Holdings Limited at Suite 3, Level 12, 75 Elizabeth Street, Sydney, NSW 2000.

Proxies may also be faxed to the Registered Office of Audio Pixels Holdings Limited on (02) 9232 3411.

Point at which Voting Rights are Determined

Regulation 7.11 of the Corporations Act permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of members will be taken for the purposes of determining member entitlements to vote at the meeting.

The Company's Directors have passed a resolution to the effect that all shares of the Company that are quoted on the ASX at 29 May 2017 at 9.30 am shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the shares at that time.

Corporate Representative

In order to vote on behalf of a company that is a member of the Company, a valid Appointment of Corporate Representative form must be either lodged with the Company prior to the Annual General Meeting or be presented at the meeting before registering on the Attendee Register for the General Meeting. An Appointment of Corporate Representative form is enclosed if required.

APPOINTMENT OF A CORPORATE REPRESENTATIVE

Section 250D of the Corporations Act

This is to certify that by a resolution of the Directors of:

_____ (Company)
Insert name of Shareholder

The Company has appointed:

_____ (Company)
Insert name of Corporation Representative

In accordance with the provisions of section 250D of the Corporations Act, to act as the body corporate representative of that company at the meeting of Audio Pixels Holdings Limited to be held on 31 May 2017 and at any adjournments of that meeting.

DATED

Executed by the Company (In accordance with its constituent documents)

_____ Signed by an authorised representative	_____ Signed by an authorised representative
_____ Name of authorised representative [print]	_____ Name of authorised representative [print]
_____ Position of authorised representative [print]	_____ Position of authorised representative [print]

INSTRUCTIONS FOR COMPLETION

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed precisely and accurately.

Please follow the instructions below to complete the Certificate of Appointment:

1. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
2. Print the name and position (e.g. director) of each company officer who signs this Certificate on behalf of the company.
3. Insert the date of execution where indicated.

Send or deliver the certificate to the Registered Office of Audio Pixels Holdings Limited at Suite 3, Level 12, 75 Elizabeth Street Sydney, or faxed to the Registered Office on (02) 9232 3411.