

27 March 2020

Capral's 2020 AGM

Capral Limited ("**Capral**" or the "**Company**") is pleased to confirm that its 2020 Annual General Meeting will be held at **10.00am** on **Wednesday 29 April 2020**.

For the first time, Capral's AGM will be webcast live and shareholders will be able to participate in the AGM using a smartphone, tablet or computer.

Instructions on how to access the webcast and participate in the AGM online are enclosed with the Notice of Meeting.

Due to the current COVID19 crisis, Capral urges all shareholders to please utilise the online facilities offered and not attend in person.

Shareholders participating online will be able to view the live webcast of the AGM and ask the Directors questions online. However, shareholders will not be able to vote online, because Capral's Constitution does not permit this. Due to this, Capral requests that all shareholders please complete and return their Proxy Form ahead of the AGM in one of the ways specified in the Notice of Meeting or the Proxy Form.

Copies of the Notice of Meeting, Online Shareholder Guide and Proxy Form follow this announcement and are being posted to shareholders. The Notice of Meeting is also available on Capral's website.

Yours sincerely



Gillian Nairn
Company Secretary

Approved and authorised for release by Capral's Managing Director.

For further information please contact:

Corporate

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Investors

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NOTICE OF 2020 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is given that the Annual General Meeting (**AGM**) of Shareholders of Capral Limited (ABN 78 004 213 692) (**Capral**) will be held at 10.00am on Wednesday 29 April 2020 at Level 4, 60 Phillip Street, Parramatta, New South Wales.

BUSINESS

1. STATUTORY REPORTS

Capral's Financial Report and Directors' Report and the Independent Auditor's Report to the Members of Capral (the **Reports**) for the year ended 31 December 2019 will be presented for consideration.

The Reports are contained within Capral's 2019 Annual Report which can be accessed on Capral's website at: <https://www.capral.com.au/about-capral/general-information/annual-reports/>.

2. QUESTIONS

Following the consideration of the Reports, the Chairman of the AGM (**Chairman**) will give shareholders a reasonable opportunity to ask questions about or comment on Capral matters.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to the audit and financial statements, and give the Auditor (Deloitte Touche Tohmatsu, P.O. Box 38, Parramatta NSW 2124, Attention David White) a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the Independent Auditor Report or audit.

3. RESOLUTION 1. RE-ELECTION OF DIRECTOR - MR PHILIP JOBE

TO CONSIDER AND, IF THOUGHT FIT, PASS THE FOLLOWING AS AN ORDINARY RESOLUTION:

"That, Mr Philip Jobe, who retires in accordance with Article 69 of Capral's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a director."

4. RESOLUTION 2. RE-ELECTION OF DIRECTOR - MR GRAEME PETTIGREW

TO CONSIDER AND, IF THOUGHT FIT, PASS THE FOLLOWING AS AN ORDINARY RESOLUTION:

"That, Mr Graeme Pettigrew, who retires in accordance with Article 69 of Capral's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a director."

5. RESOLUTION 3. ADOPTION OF REMUNERATION REPORT

TO CONSIDER AND, IF THOUGHT FIT, PASS THE FOLLOWING AS AN ORDINARY NON-BINDING RESOLUTION:

That, Capral's Remuneration Report, included in the Directors' Report for the financial year ended 31 December 2019, be adopted.

Voting Exclusion Statement

A vote on this Resolution 3 must not be cast (in any capacity) by or on behalf of the following persons:

- (a) a member of Capral's Key Management Personnel (**KMP**); or
- (b) a Closely Related Party of a member of the KMP.

However, a person described above may cast a vote on this Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- (b) the vote is cast by the Chairman and the appointment of the Chairman as proxy:
 - i. does not specify the way the proxy is to vote on the resolution; and
 - ii. expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

See the Explanatory Memorandum for definitions of KMP and Closely Related Parties.

6. RESOLUTION 4. ISSUE OF SHARE RIGHTS AND SHARES TO MR ANTHONY DRAGICEVICH

TO CONSIDER AND, IF THOUGHT FIT, PASS THE FOLLOWING AS AN ORDINARY RESOLUTION:

“That, the issue to Anthony Dragicevich of:

- (a) *up to 3,080,000 Share Rights on the terms set out in the Explanatory Memorandum; and*
- (b) *shares in Capral subject to the vesting of those Share Rights, as and on the basis described in the Explanatory Memorandum,*

be approved for the purpose of ASX Listing Rule 10.14 and for all other purposes, including for the purpose of Section 200E of the Corporations Act in the event that the issue of shares constitutes a termination benefit in connection with his loss of office, on the terms set out in the Explanatory Memorandum.”

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, Capral will disregard any votes cast in favour of Resolution 4 by or on behalf of any Director of Capral who is eligible to participate in the *Capral Long Term Incentive Plan (LTI Plan)* or an associate (as defined in Chapter 19 of the ASX Listing Rules) of such a Director. As at the date of this Notice, the Directors of Capral are Messrs Anthony Dragicevich, Rex Wood-Ward, Philip Jobe, Ian Blair and Graeme Pettigrew. Under the terms of the LTI Plan, all Directors of Capral are eligible to participate in the Plan.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - a. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - b. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 200E(2A) of the Corporations Act, Capral will disregard any votes cast on Resolution 4 (in any capacity) by or on behalf of Anthony Dragicevich or an associate (as defined in the Corporations Act) of Anthony Dragicevich.

In addition, in accordance with section 250BD of the Corporations Act, a person who has been appointed as a proxy must not vote on Resolution 4 if the person is a member of the KMP at the date of the AGM, or a closely related party of a member of the KMP, unless the proxy appointment specifies the way the proxy is to vote on the resolution. This restriction on voting undirected proxies does not apply to the Chairman where the proxy appointment expressly authorises the Chairman to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of a member of the KMP.

By order of the Board

A handwritten signature in black ink, appearing to read 'Tertius Campbell', written over a horizontal line.

Tertius Campbell

Chief Financial Officer and Company Secretary

Sydney, 27 March 2020

ATTENDANCE & VOTING AT THE MEETING

In accordance with Corporations Regulation 7.11.37, the Board has determined that Capral shares are taken, for the purposes of determining the right of shareholders to attend and vote at the AGM, to be held by persons who held them at 7:00 pm (Sydney time) on Monday 27 April 2020. If you are not the registered holder of a relevant share at that time you will not be entitled to vote in respect of that share.

You may vote by attending the AGM in person or by proxy (see below).

Resolutions 1, 2, and 4 are ordinary resolutions. Ordinary resolutions require the support of more than 50% of the votes cast by those shareholders voting in person, by proxy, by representative or by attorney. Resolution 3 is an advisory resolution which does not bind the Board however, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

Voting on each of the proposed resolutions at the AGM will be conducted by a poll, rather than on a show of hands.

Upon a poll, every person who is present in person or by proxy, or by representative or by attorney, will have one vote for each share held by that person.

PROXIES

A shareholder who is entitled to attend and vote at the AGM may appoint a person, who need not be a shareholder of Capral, as the shareholder's proxy to attend and vote on behalf of the shareholder.

If you are entitled to cast two or more votes, you may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If you do not specify a proportion or number, each proxy may exercise half of the votes. If you require a second proxy form, please contact Capral's share registry Computershare Investor Services Pty Limited on **1300 855 080 (within Australia)** or **+61 3 9415 4000 (outside Australia)**.

A proxy form accompanies this Notice. Should you wish to appoint a proxy, please complete the proxy form and return it (and any supporting documents attached) by no later

than 10:00 am (Sydney time) on Monday, 27 April 2020 by one of the following methods:

- **by mail** to Capral's share registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, VIC 3001, Australia (a reply paid envelope is enclosed with this Notice of Meeting); or
- **by mail** to Capral's registered office, c/o Company Secretary, 71 Ashburn Road, Bundamba, QLD 4304, Australia or to Capral's share registry, Computershare Investor Services Pty Limited, Level 3, 60 Carrington Street, Sydney, NSW 2000, Australia; or
- **by facsimile** to Capral's share registry, Computershare Investor Services Pty Limited, facsimile number: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

The Chairman will vote undirected proxies in favour of all resolutions.

If you appoint the Chairman as your proxy, or the Chairman is appointed your proxy by default, and the proxy form does not specify whether to vote "For", "Against" or "Abstain", your appointment will be taken as a direction to the Chairman to vote in accordance with his stated voting intention, which is to vote in favour of all resolutions.

Shareholders always have the ability to appoint the Chairman as their proxy and direct him to vote contrary to the Chairman's stated voting intention or to abstain from voting on a resolution.

The Chairman intends to vote any undirected proxy in favour of all resolutions including Resolution 3 (Adoption of Remuneration Report) and Resolution 4 (Issue of Share Rights and Shares to Anthony Dragicevich).

Appointment of other Key Management Personnel as your proxy

Due to the voting exclusions and requirements referred to in the Notice of Meeting, if you intend to appoint any other KMP or their Closely Related Parties as your proxy, you are encouraged to direct your proxy on how to vote on Resolution 3 (Adoption of Remuneration Report) and Resolution 4 (Issue of Share Rights and Shares to Anthony Dragicevich) by marking either "For", "Against" or "Abstain" on the proxy form for the relevant item of business.

Definitions

Closely Related Parties are any of the following people:

- a spouse or child of KMP;
- a child of KMP's spouse;
- a dependent of KMP or KMP's spouse;
- anyone else who is a member of KMP's family who may be expected to influence, or be influenced by the KMP, in the KMP's dealings with Capral; and
- a company controlled by the KMP.

Key Management Personnel (KMP) are those people described as KMP, and whose remuneration details are included in, Capral's Remuneration Report for the financial year ended 31 December 2019 and includes all directors.

Remuneration Report means Capral's Remuneration Report included in the Directors' Report for the financial year ended 31 December 2019.

Attorney

If the appointment is signed by an attorney, the original power of attorney or a certified copy of it must be sent with the proxy form, unless it has been provided previously to Computershare Investor Services Pty Limited.

Corporate Representatives

A body corporate that is a shareholder, or that has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. Such appointment must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as body corporate's representative.

SHAREHOLDER QUESTIONS

If you wish a question to be put to the Chairman or the Auditor and you are not able to participate in the AGM, please send your question to the Company Secretary via Capral's share registry by one of the methods detailed above. To allow time to collate questions and prepare answers, questions are to be received by 5:00 pm (Sydney time) on Wednesday 8 April 2020. Questions submitted in writing to the Company Secretary will be put to the Chairman or Auditor at the Board's discretion. A list of questions for the auditor will be available at the AGM.

EXPLANATORY MEMORANDUM

This explanatory memorandum has been prepared to assist shareholders to understand the business to be put to shareholders at the AGM and forms part of the Notice of Meeting.

1&2. Statutory Reports and shareholder questions

The Financial Report, Directors' Report and Auditor's Report for Capral for the year ended 31 December 2019 will be laid before the AGM in accordance with section 317 of the Corporations Act.

The Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports and about the management of Capral in accordance with section 250S of the Corporations Act. Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report in accordance with section 250T of the Corporations Act.

3. Resolutions

Resolutions 1 and 2. Re-election of Directors

Article 69(a) of Capral's Constitution (which is consistent with ASX Listing Rule 14.4) provides that no director shall hold office for a continuous period in excess of 3 years or past the third AGM following the director's appointment, whichever is longer, without submitting for re-election. Article 69(b) provides that a retiring director is eligible for re-election without needing to give any prior notice of an interest to submit for re-election and shall hold office as a director until the end of the AGM at which the director retires.

Accordingly, at this AGM, Mr Philip Jobe and Mr Graeme Pettigrew are obliged to retire in accordance with Article 69 of Capral's Constitution and Listing Rule 14.4 and are eligible for re-election. If shareholders do not approve the re-election of Mr Jobe or Mr Pettigrew then they will cease to be directors at the end of the AGM.

Brief biographical details for each of Mr Jobe and Mr Pettigrew are set out below and additional information is provided in Capral's 2019 Annual Report.

Mr Philip Jobe

Mr Philip Jobe became a non-executive director of Capral in April 2013 following the expiry of his term as Capral's Managing Director and Chief Executive Officer. Mr Philip Jobe was Capral's Managing Director from 24 April 2009 until April 2013.

Mr Jobe is a member of Capral's Audit & Risk Committee and Remuneration & Nomination Committee.

The Board considers Mr Jobe to be independent and in making this assessment, the Board noted that more than three years have passed since Mr Jobe's employment with Capral ceased. The Board is confident that Mr Jobe brings an independent judgment to bear on Board deliberations.

Before joining Capral, Mr Jobe was the Executive General Manager of Boral Limited's Cement division including Managing Director of Blue Circle Southern Cement Pty Limited. This also encompassed the role of Chairman of the Cement Industry Federation. He also had executive responsibility for Boral's expanding Asian construction materials businesses. Mr Jobe was also previously Managing Director of Stegbar Pty Limited from 1989 to 1994.

The Directors of Capral, with Mr Jobe abstaining, unanimously support the re-election of Mr Jobe.

Mr Graeme Pettigrew

Mr Graeme Pettigrew was appointed as a non-executive director of Capral on 18 June 2010. He is the Chair of the Remuneration & Nomination Committee and is a member of the Audit & Risk Committee. The Board considers Mr Pettigrew to be independent.

Mr Pettigrew has held chief executive roles at CSR Building Products Pty Ltd and Chubb Australia Ltd and was previously a non-executive director of Adelaide Brighton Ltd. He has relevant experience in the construction and building materials industry as well as manufacturing and distribution businesses.

The Directors of Capral, with Mr Pettigrew abstaining, unanimously support the re-election of Mr Pettigrew.

Resolution 3. Adoption of Remuneration Report

The Remuneration Report (which forms part of the Directors' Report) sets out Capral's remuneration for Capral's KMPs.

Section 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a shareholders' resolution that the Remuneration Report be adopted be put to the vote.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the AGM, in accordance with section 250SA of the Corporations Act.

Non-binding resolution on Remuneration Report

The resolution to adopt the Remuneration Report is advisory only and will not bind the directors or Capral, however, the Board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

Resolution 4. Issue of Share Rights to Mr Anthony Dragicevich

Mr Dragicevich was appointed to the Board on 15 April 2013.

The Board values the contribution of Mr Dragicevich and considers it to be in the best interests of Capral to align Capral's Managing Director with the interests of shareholders and retain his services.

ASX Listing Rule 10.14 requires shareholder approval by ordinary resolution before a director can be issued securities under an employee incentive scheme.

Shareholder approval is sought for the issue of Share Rights to Mr Dragicevich under Capral's Long Term Incentive Plan 2020. Specific details of the proposed issue are set out below.

A **Share Right** is a right to be issued one Capral ordinary share (**Share**) for nil exercise price upon the satisfaction of certain vesting conditions. 1 Share Right converts into 1 Share upon vesting.

The Board, in its discretion, may satisfy some or all of the Share Rights by acquiring existing Shares rather than issuing new Shares.

Number of Share Rights and Issue Price

If Resolution 4 is passed, then, subject to obtaining shareholder approval, Capral will issue up to 3,080,000 Share Rights to Mr Dragicevich for nil consideration.

The Share Rights are subject to continuous service requirements and vesting criteria over a three year performance period from 1 January 2020 to 31 December 2022.

Timing of grant and vesting

The grant date of the Share Rights will be on or about the date of shareholder approval, but in any event no later than 12 months after the AGM. The vesting date of the Share Rights will be 1 March 2023 (subject to satisfaction of the continuous service requirements and the vesting criteria).

Vesting conditions

Vesting of the Share Rights is subject to Mr Dragicevich remaining employed at Capral on the vesting date and the following performance hurdles:

- 50% of the Share Rights are subject to an Earnings Per Share (**EPS**) performance condition; and
- 50% of the Share Rights are subject to a Total Shareholder Return (**TSR**) performance condition.

EPS performance condition

An EPS target is set each year based on the Net Profit After Tax Target specified by the Board (adjusted for any extraordinary items approved by the Board) divided by the weighted average number of securities on issue during the year.

The Net Profit After Tax Target used for this condition is set at least at minimum Budget level. The Board may adjust EPS to exclude the effects of material business acquisitions or divestments and certain one-off costs. Adjustments would be disclosed.

Performance is measured over three years and tested every year. For the Share Rights to vest, actual performance over the three year performance period must meet, in aggregate, the three annual targets combined (even if the target in any individual year(s) is not met) as set out below:

EPS target range	% Rights Vesting
More than 5% below target	None
5% below target	50
Between 5% below target to 10% above target	Between 50 and 100 (pro rata)
10% above target and higher	100

TSR performance condition

The TSR performance condition is measured against entities with ordinary shares and units (as the case may be) included in the S&P/ASX All Ordinaries Index as at 1 January 2020 but excluding those companies who are classified in the Global Industry Classification Standard sector number 40.

The number of Share Rights subject to the TSR performance condition which may vest will be determined by comparing Capral's TSR against the TSR of each member of this comparator group over the three year performance period from 1 January 2020 to 31 December 2022, and the percentile position of Capral within that comparator group as set out below:

Percentile of TSR	% Rights Vesting
Less than 50th	None
50th	50
More than 50th less than 75th	Between 50 and 100 (pro rata)
75 th and higher	100

Treatment of Share Rights on cessation of employment

The Share Rights will lapse on termination of Mr Dragicevich's employment except in special circumstances (such as death, permanent disability and redundancy) where the Board retains discretion, and then when determining the number of Share Rights that vest, having regard to his performance up until the termination date and the proportion of the unexpired performance period.

Clawback

The Board has discretion to forfeit some or all of the Share Rights and recover some or all Shares issued on vesting of the Share Rights in certain circumstances, including in the event of fraud, material misstatement or misrepresentation of Capral's financial results.

Dividend rights

Share Rights confer no rights to dividends or other distributions, or to participate in a new offer of shares unless and until the Share Rights have vested and Shares are issued by Capral.

Change of control

If there is a change of control, the Board has discretion to convert all or any Share Rights to Shares whether or not Performance Conditions have been met.

Other information

For the purposes of ASX Listing Rule 10.15, the following additional information is provided for shareholders.

- As Mr Dragicevich is a Director of Capral, under Listing Rule 10.14.1, shareholder approval is required for Mr Dragicevich to acquire equity securities under the employee incentive scheme.

The proposed maximum number of Share Rights (and subsequently, the maximum number of Shares) that may be acquired by Mr Dragicevich under Capral's 2020 LTI Plan and for which shareholder approval is sought is 3,080,000 Share Rights .

- Mr Dragicevich's current total remuneration package for FY20 comprises:
 - a fixed base salary of A\$715,000 (including superannuation);
 - a variable short term incentive (bonus) of up to \$715,000, of which any amount above \$357,500 is to be comprised of deferred equity which Capral currently expects to satisfy through the purchase of ordinary shares on-market as allowed under ASX Listing Rule 10.16; and
 - a variable long term incentive of up to \$357,500 worth of Share Rights, the subject of this Resolution 4.
- The following securities have been previously issued to Mr Dragicevich for nil average acquisition price under Capral's Long Term Incentive Plan:

- 2,350,000 Share Rights were issued to Mr Dragicevich under the 2019 scheme, following shareholder approval at the 2019 AGM. The acquisition price for those Share Rights was nil.
- 2,200,000 Share Rights were issued to Mr Dragicevich under the 2018 scheme, following shareholder approval at the 2018 AGM. The acquisition price for those Share Rights was nil.
- 2,000,000 Share Rights were issued to Mr Dragicevich under the 2017 scheme, following shareholder approval at the 2017 AGM. The acquisition price for those Share Rights was nil.
- 2,500,000 Share Rights were issued to Mr Dragicevich under the 2016 scheme, following shareholder approval at the 2016 AGM. The acquisition price for those Share Rights was nil.
- 2,500,000 Share Rights were issued to Mr Dragicevich under the 2015 scheme, following shareholder approval at the 2015 AGM. The acquisition price for those Share Rights was nil.
- 2,000,000 Share Rights were issued to Mr Dragicevich under the 2014 scheme, following shareholder approval at the 2014 AGM. The acquisition price for those Share Rights was nil.

- The Share Rights are not quoted on the ASX and carry no voting or dividend rights. Shares issued on vesting of the Share Rights will rank equally with fully paid ordinary shares on issue.
- The Share Rights will be issued to Mr Dragicevich on or about the date of the AGM, but in any event no later than 12 months after the AGM.
- The issue price for the Share Rights is nil and no money is payable by Mr Dragicevich for a Share on the vesting of a Share Right.
- No loans will be made in relation to the acquisition of the Share Rights or Shares by Mr Dragicevich.

- Details of any securities issued under Capral's Long Term Incentive Plan will be published in Capral's annual report relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under Capral's Long Term Incentive Plan after this Resolution 4 is approved and who are not named in this notice of meeting, will not participate until approval is obtained under Rule 10.14.
- A summary of the material terms of the Share Rights is set out above.
- A voting exclusion statement is set out under the wording of Resolution 4 in this notice of meeting.

Listing Rule 7.1 imposes a 15% cap on the number of equity securities that can be issued by Capral without approval of shareholders in any rolling twelve month period. However, Capral can exclude from the calculation of the 15% limit any securities issued in reliance on an exception to Listing Rule 7.1 or with the approval of shareholders.

If Resolution 4 is passed, any Share Rights and any Shares issued on vesting of those rights will be excluded from the calculation of the 15% limit in reliance on Exception 14 in Listing Rule 7.2.

Accelerated vesting and potential termination benefit

As noted above, the Share Rights may vest on an accelerated basis in certain circumstances. The accelerated vesting of the Share Rights in these circumstances may be considered a retirement benefit.

Section 200B of the Corporations Act requires Capral to obtain shareholder approval before giving a benefit to a director in connection with the director's retirement from office unless the benefit falls within certain exceptions set out in the Corporations Act. A payment will only fall within those exceptions if the amount is less than a prescribed multiple of the director's base remuneration and if the nature of the payment falls within one of the categories set out in the Corporations Act. It is unlikely that these exemptions would apply.

Capral therefore seeks shareholder approval under section 200E of the Corporations Act to enable it to provide these benefits if it chooses.

The total value of the termination benefits that may accrue to Mr Dragicevich will depend on the market price of Capral Shares at the time the Share Rights vest.

Effect of not approving issue of the Share Rights

If shareholders do not approve the proposed issue of Share Rights to Mr Dragicevich under Resolution 4, the proposed award of Share Rights to him will not proceed and the Board will need to consider alternative remuneration arrangements.

The Board considers it to be important for Capral to be able to offer the Share Rights to the Managing Director as they are in line with market practice and ensure that Capral can attract and retain the right talent and align Mr Dragicevich's interests with those of shareholders.

Director recommendation

The Board (with Mr Dragicevich abstaining) considers that the award of Share Rights to Mr Dragicevich is an appropriate incentive which is in the best interests of Capral and recommends that shareholders vote in favour of Resolution 4.

ONLINE SHAREHOLDERS' MEETING GUIDE 2020

Attending the AGM electronically

For the first time we're offering you a choice of attendance, allowing you to attend in person or participate online, using your smartphone, tablet or computer.

If you choose to participate online you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your votes in real time and you will need to either:

- Download the Lumi AGM app from the Apple App or Google Play Stores by searching for Lumi AGM.
- Visit <https://web.lumiagm.com> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge and Firefox. Please ensure your browser is compatible.

Meeting ID: 308-660-274

To login you must have your Username and password

Using the Lumi AGM app:

CREDENTIALS

Once you have either downloaded the **Lumi AGM app** or entered **web.lumiagm.com** into your web browser, you'll be prompted to enter the Meeting ID.

You will then be required to enter your:

- Username; and
- Password.

You will be able to log into the site from 9.30am on Wednesday 29 April 2020.

ACCESS


To register as a shareholder, select '**have a login**' and enter your username and password.


If you are a visitor, select '**I am a guest**'

As a guest, you will be prompted to complete all the relevant fields including; title, first name, last name and email address.

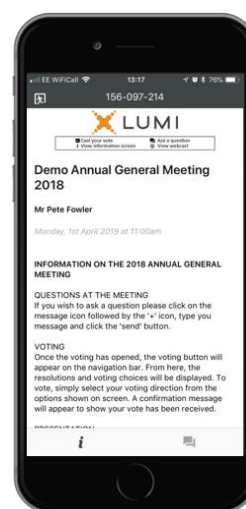
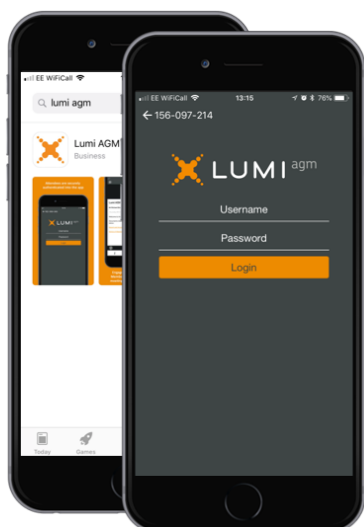
Please note, visitors will not be able to ask questions or vote at the meeting.

NAVIGATION


When successfully authenticated, the info screen  will be displayed. You can view company information, ask questions and watch the webcast.

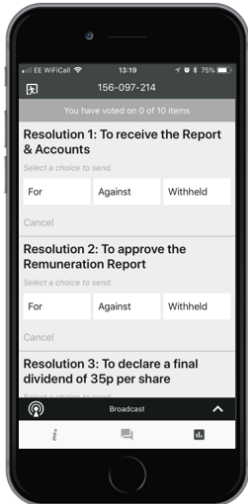
If you would like to watch the **webcast** press the broadcast icon  at the bottom of the screen.

If viewing on a computer the webcast will appear at the side automatically once the meeting has started.



VOTING

The chairman will open voting on all resolutions at the start of the meeting. Once the voting has opened, the polling icon  will appear on the navigation bar at the bottom of the screen. From here, the resolutions and voting choices will be displayed.

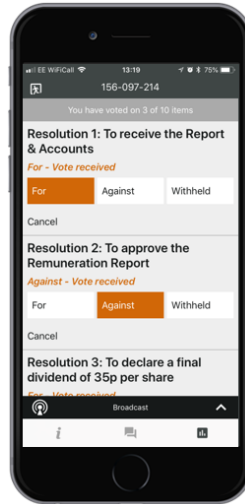


VOTING

To vote, simply select your voting direction from the options shown on screen. A confirmation message will appear to show your vote has been received. For - Vote received

To change your vote, simply select another direction.

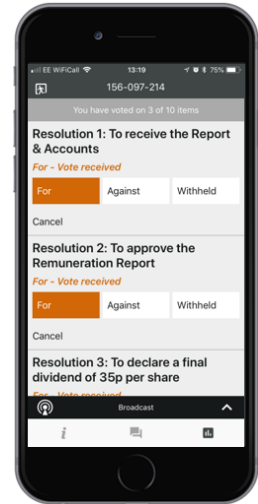
If you wish to cancel your vote, please press Cancel



VOTING


Once the chairman has opened voting, voting can be performed at anytime during the meeting until the chairman closes the voting on the resolutions.

You will still be able to send messages and view the webcast whilst the poll is open.

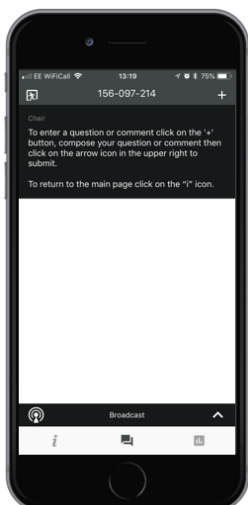


QUESTIONS

Any shareholder or appointed proxy attending the meeting is eligible to ask questions.

If you would like to ask a question, select the messaging icon .

Messages can be submitted at any time during the Q&A session up until the Chairman closes the session.



QUESTIONS

Click in the box marked 'Ask a question' and type your message.

Once you are happy with your message click the submit button.

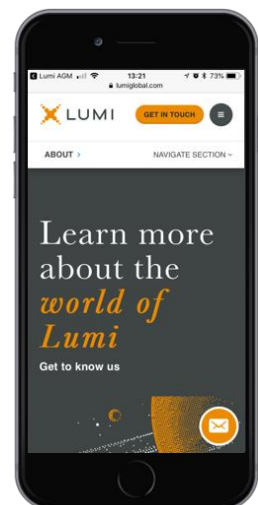
Questions sent via the Lumi AGM online platform will be moderated before being sent to the chairman. This is to avoid repetition and remove any inappropriate language.



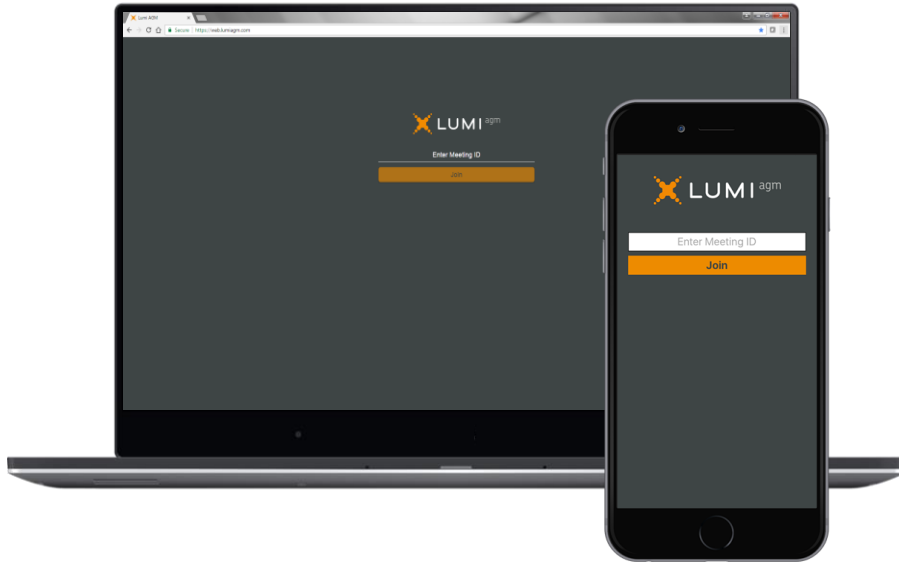
DOWNLOADS

Links to the Notice of Meeting and Annual Report are present on the info screen. When you click on a link, the selected document will open in your browser.

Data usage for streaming the annual shareholders' meeting or downloading documents via the Lumi AGM platform varies depending on individual use, the specific device being used for streaming or download (Android, iPhone, etc) and the network connection (3G, 4G).




Remote entry to the Annual Shareholders' Meeting will open at 9.30am, on Wednesday 29 April 2020.






CAA
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?

 **Phone:**
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10.00am (Sydney time) on Monday, 27 April 2020.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

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



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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Capral Limited hereby appoint

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Capral Limited to be held at the Annual General Meeting of Capral Limited to be held Level 4, 60 Phillip Street, Parramatta, NSW on Wednesday, 29 April 2020 at 10:00am (Sydney Time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 3 and 4 (except where I/we have indicated a different voting intention in step 2) even though Items 3 and 4 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 3 and 4 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain
1 Re-election of Director - Mr Philip Jobe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Mr Graeme Pettigrew	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Issue of share rights and shares to Mr Anthony Dragicevich	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

CAA

999999A



Computershare

