

9 October 2020

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2020 Annual General Meeting of Shareholders of NAOS Ex-50 Opportunities Company Limited (ACN 169 448 837) (the "Company") will be held as follows:

Date: 12 November 2020

Time: 11.00am

Venue: State Library of NSW, Corner of Macquarie Street and Shakespeare Place, Sydney NSW 2000

ITEMS OF BUSINESS

1. Financial Statements and Reports

To receive the Financial Statements, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2020.

2. Resolution 1: Remuneration Report

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

"That the Company adopt the Remuneration Report for the year ended 30 June 2020 in accordance with Section 250R(2) of the Corporations Act."

Note: This Resolution is advisory only and does not bind the Company or the Directors.

Voting Exclusion Statement:

In accordance with sections 250BD(1) and 250R(4) of the Corporations Act, no member of the Key Management Personnel (KMP) of the Company, details of whose remuneration are included in the Remuneration Report, or a member of the KMP of the Group at the date of the meeting acting as proxy or a Closely Related Party of any such member may vote on Resolution 1.

However, in accordance with the Corporations Act, a person described above may vote on Resolution 1 if:

- it is cast by such person as proxy for a person who is permitted to vote, in accordance with the direction specified on the Proxy Form how to vote; or*
- it is cast by the Chairman as proxy for a person who is permitted to vote, in accordance with an express direction specified on the Proxy Form to vote as the proxy decides even though the Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.*

If the Chairman is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chairman will vote any proxies which do not indicate on their Proxy Form the way the Chairman must vote, in favour of the Resolution.

3. Resolution 2: Re-election of Director – Mr Warwick Evans

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

"That Mr Warwick Evans, who retires in accordance with clause 6.7 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

4. Resolution 3: Approval to Alter the Company's Constitution

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

"That, for the purpose of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to alter the Constitution in the manner set out in the Explanatory Memorandum and in the form presented at the Meeting and received by the Chairman for identification purposes, with effect from the close of the Meeting."

5. Resolution 4: Approval of Additional 10% Placement Facility

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to have the additional capacity to issue Equity Securities up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person, or any associate of that person, who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of equity securities under the increased placement capacity under ASX Listing Rule 7.1A, except as a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

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

- *A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*
- *A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *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 the Resolution; and*
 - *The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

Under ASX Listing Rule 14.11.1 and the notes under that rule about Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded from voting.

6. Resolution 5: Approval to Issue Convertible Notes

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of up to 175,000 Convertible Notes by the Company on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

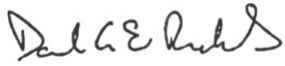
The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person, or any associate of that person, who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of equity securities, if this Resolution is passed.

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

- *A person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or*
- *The Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or*

- *A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:*
 - *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 the Resolution; and*
 - *The holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.*

By order of the Board

A handwritten signature in black ink, appearing to read 'David Rickards', written in a cursive style.

David Rickards
Independent Chairman

NOTES

Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting and should be read in conjunction with this Notice of Meeting.

Entitlement to Vote

In accordance with Regulation 7.11.37 of the Corporations Regulations, the Company (as convenor of the Meeting) has determined that a person's entitlement to attend and vote at the Meeting will be those persons set out in the register of Shareholders as at 7.00pm (AEDT) on 10 November 2020. Share transfers registered after that time will be disregarded in determining the Shareholders entitled to attend and vote at the Meeting.

Proxies

A Shareholder entitled to attend this Meeting and vote, is entitled to appoint a proxy to attend and vote on behalf of that Shareholder at the Meeting.

- (a) A proxy need not be a Shareholder.
- (b) If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Shareholder.
- (c) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.
- (d) A Proxy Form accompanies this Notice.
- (e) Unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit or abstain from voting.
- (f) If a Shareholder wishes to appoint a proxy, the Shareholder should complete the Proxy Form and comply with the instructions set out in that form relating to lodgment of the form with the Company.
- (g) The completed Proxy Form must be either: lodged online; posted; delivered by hand or faxed in accordance with the below. The Proxy Form must also be received not later than 11.00am (AEDT) on 10 November 2020.

Online: <https://www.votingonline.com.au/nacagm2020>

Address: Boardroom Pty Limited
Level 12
225 George Street
Sydney NSW 2000

Postal Address: Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Fax Number: +612 9290 9655

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority can be mailed or faxed to the Company at least 24 hours before the Meeting. Alternatively, this document can be lodged at the registration desk on the day of the Meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Annual General Meeting of the Company to be held at 11.00am (AEDT) on 12 November 2020 at State Library of NSW, Corner of Macquarie Street and Shakespeare Place, Sydney NSW 2000.

This Explanatory Memorandum is to assist the Shareholders in understanding the background to, and the legal and other implications of, the Notice and the reasons for the proposed Resolutions. Both documents should be read in their entirety and in conjunction with each other.

Financial Statements and Reports

This item allows members the opportunity to consider the Financial Statements, Directors' Report and Auditor's Report of the Company. Section 317 of the Corporations Act requires each of 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 Meeting.

There is no requirement for these reports to be formally approved by Shareholders.

The reports referred to in Item 1 of the Notice are included in the Annual Report sent to Shareholders who have requested to receive a copy. If you have not elected to receive a hard copy of the Company's 2020 Annual Report, it can be accessed on the Company's website as <http://www.naos.com.au>

Shareholders will be given a reasonable opportunity at the Meeting to ask questions and comment on these reports and on the business, operations and management of the Company.

Resolution 1: Remuneration Report

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2020.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

Voting consequences

Under the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are voted against in two consecutive annual general meetings, the Company will be required, at the second annual general meeting, to put to Shareholders a resolution proposing the calling of an extraordinary general meeting at which all Directors of the Company who were in office at the date of approval of the applicable Directors' Report must stand for re-election ("**Spill Resolution**").

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting ("**Spill Meeting**") within 90 days of the second annual general meeting.

At the 2019 annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

Resolution 2: Re-election of Director – Mr Warwick Evans

The Constitution requires one third of the Company's Directors or the number nearest to one third, to retire at every annual general meeting. It also requires that the Company's longest serving Directors since the last election or re-election, retire at that meeting. The Constitution also provides that a retiring Director is eligible for re-election as a Director, so long as they satisfy the eligibility requirements to serve in that office.

Resolution 2 provides for the re-election of Mr Warwick Evans as a Director of the Company in accordance with the Constitution.

At this Meeting, Mr Warwick Evans is retiring from office in accordance with clause 6.7 of the Constitution. Mr Warwick Evans is eligible to stand for election as a Director and is seeking re-election. Details of Mr Warwick Evans' qualifications and experience are outlined as follows:

Warwick Evans has been a Director of the Company since inception. Warwick is also a Director of NAOS Emerging Opportunities Company Limited (ASX: NCC), NAOS Small Cap Opportunities Company Limited (ASX: NSC) and NAOS Asset Management Limited, the Investment Manager.

Warwick has over 35 years of equity markets experience, most notably as Managing Director for Macquarie Equities (globally) from 1991 to 2001 as well as being an Executive Director for Macquarie Group. He was the founding Chairman and CEO of the Newcastle Stock Exchange (NSX) and was also the Chairman of the Australian Stockbrokers Association. Prior to these positions he was an Executive Director at County NatWest. Warwick holds a Bachelor's degree in Commerce majoring in Economics from the University of New South Wales.

The Directors (excluding Mr Warwick Evans) unanimously recommend that Shareholders vote in favour of Resolution 2.

Resolution 3: Approval to Alter the Company's Constitution

The ASX announced changes to the ASX Listing Rules and Guidance Notes that came into effect from 1 December 2019. The changes include amendments to the ASX escrow regime and off market transfer fees.

Restricted Securities

The amendments to Listing Rule 9.1(a) require an ASX listed entity to include in its constitution the provisions set out in Listing Rule 15.12. Listing Rule 15.12 prescribes the required clause for the Constitution on Restricted Securities. Listing Rule 15.12 has also been amended. Accordingly, it is proposed that clause 12.1 of the Constitution be altered to reflect the amendments to ASX Listing Rule 15.12 which came into effect on 1 December 2019.

If this Resolution is passed, clause 12.1 of the Constitution will be deleted and replaced with the following:

"Restricted Securities

If any securities of the Company issued on or after 1 December 2019 are classified as restricted securities under the ASX Listing Rules:

- a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;
- if the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the entity's issuer sponsored sub register and are to have a holding lock applied for the duration of the escrow period applicable to those securities;

- the Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;
- a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and
- if a holder of restricted securities breaches a restriction deed or a provision of the Company's Constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues."

The Company will continue to comply with the provisions of Listing Rule 15.12 in force immediately prior to 1 December 2019 in relation to the restricted securities that were issued in the Company prior to 1 December 2019. The proposed amendments to the Constitution will apply to any restricted securities issued on or after 1 December 2019.

Reasonable fee for the registration of transfers

ASX Listing Rule 8.14.1 permits a reasonable fee to be charged for registering a paper-based share transfer, commonly known as an "off market transfer". These fees are intended to cover the costs associated with processing such off market transfers, reducing the risks of errors and enhancing fraud detection practices. Clause 4.1 of the current Constitution is inconsistent with ASX Listing Rule 8.14.1 as it does not expressly permit a fee to be charged for off market transfers.

The Company wishes to alter the Constitution to make it consistent with the ASX Listing Rules by replacing clause 4.1(b), the following text:

"The Company may charge a reasonable fee for the registration of a transfer of shares except where it is not permitted to do so by the Listing Rules or by applicable law."

Procedure for Appointment of Directors at General Meetings

In order to align the terms of the Constitution with those of NAOS Emerging Opportunities Company Limited (ASX: NCC) and Small Cap Opportunities Company Limited (ASX: NSC), both of which are managed by NAOS Asset Management Ltd, the Company is proposing to amend the director nomination period set out in clause 6.3 of the Constitution to be 40 business days.

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders entitled to vote and voting on this Resolution must be in favour of this Resolution for it to be passed.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

Resolution 4: Approval of 10% Placement Facility

General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its Annual General Meeting, to increase this 15% limit by an extra 10% to 25%.

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

The Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If the Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If the Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The Resolution is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders entitled to vote and voting on this Resolution for it to be passed.

Eligibility

An eligible entity under ASX Listing Rule 7.1A is one which, at the date of the resolution, has a market capitalisation of \$300 million or less and is not included in the S&P / ASX 300 Index. The Company anticipates that it will be an eligible entity for the purposes of ASX Listing Rule 7.1A at the time of the Meeting.

The exact number of equity securities that may be issued pursuant to the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 which provides that eligible entities which have obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of equity securities calculated as follows:

(A x D) – E

Where

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

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities under rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4;
- plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- less the number of fully paid ordinary securities cancelled in the 12 months;

Note that A has the same meaning in the ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

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

Any equity securities issued under the 10% Placement Capacity must be in an existing quoted class of the Company's equity securities. The Company presently has two classes of quoted securities, being Shares (ASX Code: NAC) and Options (ASX Code: NACOA).

Required information

The following information is provided to Shareholders to allow them to assess the Resolution, including for the purposes of ASX Listing Rule 7.3A.

Minimum price

As required by ASX Listing Rule 7.1A.3, any equity securities issued by the Company under ASX Listing Rule 7.1A can only be issued at a price that is no less than 75% of the volume weighted average market price for securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
- if the securities are not issued within 10 trading days of the date in paragraph (a) above, the date on which the securities are issued.

Risk of economic and voting dilution to existing Shareholders

If the Resolution is approved by Shareholders and the Company issues securities under the 10% Placement Capacity, the additional economic and voting interests in the Company will be diluted. There is a risk that the market price of the Company's securities may be significantly lower on the issue date than on the date of the Annual General Meeting and the securities may be issued at a price that is at a discount to the market price on the issue date.

The table below shows a number of potential dilution scenarios for a capital raising which may be conducted under ASX Listing Rule 7.1A as required by ASX Listing Rule 7.3A.4 where the number of the Company's Shares on issue (Variable "A" in the formula in ASX Listing Rule 7.1A.2) has remained current or increased by either 50% or 100% and the Share price has decreased by 50%, remained current or increased by 100% based on the closing Share price on ASX at 23 September 2020.

Variable "A" in ASX Listing Rule 7.1A.2		Dilution		
		\$0.49 50% decrease in Issue Price	\$0.98 Issue Price	\$1.96 100% increase in Issue Price
Current Variable A 46,031,682 Shares	10% Voting Dilution	4,603,168	4,603,168	4,603,168
	Funds Raised	\$2,255,552	\$4,511,105	\$9,022,210
50% increase in current Variable A 69,047,523 Shares	10% Voting Dilution	6,904,752	6,904,752	6,904,752
	Funds Raised	\$3,383,329	\$6,766,657	\$13,533,315
100% increase in current Variable A 92,063,364 Shares	10% Voting Dilution	9,206,336	9,206,336	9,206,336
	Funds Raised	\$4,511,105	\$9,022,210	\$ 18,044,419

The above dilution table uses the following assumptions which the Company does not represent will necessarily occur:

- a) the “issue price at current market price” is the closing price of the Shares on ASX on 23 September 2020.
- b) Variable “A” is 46,031,682 which equates to the number of current Shares on issue at 23 September 2020. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro-rata issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders meeting;
- c) the Company issues the maximum number of securities available under the additional 10% ASX Listing Rule 7.1A approval;
- d) the table shows only the effect of issues of securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- e) no options (including any options issued under the 10% Placement Capacity) are exercised into Shares before the date of issue of equity securities;
- f) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- g) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of the placements under ASX Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting;
- h) the issue of Shares under ASX Listing Rule 7.1A consists only of fully paid ordinary shares in the Company; and
- i) “Funds Raised” are before any capital raising costs which may be incurred.

10% Placement Period

Shareholder approval under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which approval is obtained until the earlier of:

- a) the date which is 12 months after the date of the Annual General Meeting at which the approval was obtained;
- b) the time and date of the Company's next Annual General Meeting; or
- c) the date of approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

Purpose of additional 10% Placement Capacity

While the Company does not have any immediate plans to issue Shares under the 10% Placement Capacity, the Company may seek to issue securities under the 10% Placement Capacity for cash consideration. The Company may use the funds for working capital, investing activities (including possible complementary business acquisitions if any are identified and approved by the Board), meet financing commitments or capital management activities deemed by the Board to be in the best interests of the Company.

The Company will comply with any disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.3 upon the issue of any securities under ASX Listing Rule 7.1A.

Allocation policy

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

- a) the methods of raising funds that are then available to the Company;
- b) the effect of the issue of the equity securities on the control of the Company;
- c) the financial situation and solvency of the Company; and
- d) advice from professional and corporate advisers (if applicable).

Allottees under any capital raising which may be conducted under the 10% Placement Capacity pursuant to ASX Listing Rule 7.1A have not been determined as at the date of this Notice of Meeting and may include existing and/or new Shareholders but cannot include any related parties or associates of a related party of the Company.

Previous Issue of Securities under ASX Listing Rule 7.1A

The Company has not previously issued securities under ASX Listing Rule 7.1A.

Compliance with ASX Listing Rules 7.1A.4 and 3.10.3

When the Company issues equity securities pursuant to the 10% Placement Capacity, it will give ASX:

- a) a list of the names of the persons to whom the Company issues the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with ASX Listing Rule 7.1A.4; and
- b) the information required by ASX Listing Rule 3.10.3 for release to the market.

At the date of the Notice of Meeting the Company has not invited and has not determined to invite any particular existing Shareholder or an identifiable class of existing Shareholder to participate in an offer under ASX Listing Rule 7.1A. Accordingly, no existing Shareholder will be excluded from voting on this Resolution.

Directors' Recommendation

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

Resolution 5: Approval to issue Convertible Notes

The Company is proposing to issue convertible notes to fund further investments in securities by the Company (**Notes Issue**) and to pay costs associated with the Notes Issue.

ASX Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The Notes Issue does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

This Resolution seeks the required shareholder approval to the Notes Issue under and for the purposes of Listing Rule 7.1

If the Resolution is passed, the Company will be able to proceed with the Notes Issue. In addition, the Issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If the Resolution is not passed, the Company will not be able to proceed with the Notes Issue as it is subject to shareholder approval, and the Company has insufficient Placement Capacity under Listing Rule 7.1 to conduct the Notes Issue without that approval.

Technical information required by ASX Listing Rule 7.3

In accordance with Listing Rule 7.3, which contains requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to Shareholders in respect of this Resolution:

Maximum no. of securities to be issued	175,000 with a face value of \$100 each. The Convertible Notes will be a separate class of security. It is intended that the Convertible Notes will be listed on the ASX.
Issue price per security	\$100 per Convertible Note
Date by which the securities will be issued	No later than 3 months after the date of the Annual General Meeting. It is intended that issue of all Convertible Notes will occur on one date.
Name of allottees	The Directors will determine to whom the Convertible Notes will be granted, but those persons will not be related parties of the Company.
Terms of the securities	The Convertible Notes will be issued on the terms and conditions set out in Schedule 1.
Use of funds	The proceeds of the Notes Issue will be used to fund further investments in securities by the Company and to pay costs associated with the Notes Issue.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

GLOSSARY

Throughout this Explanatory Memorandum the following various words and phrases are capitalised and the definitions of these capitalised words and phrases are set out below:

"**Annual General Meeting**" means the meeting convened by the Notice of Meeting;

"**ASX**" means ASX Limited (ACN 008 624 691);

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

"**Board**" means the board of Directors of the Company;

"**Chairman**" means the chairman of the Annual General Meeting;

"**Closely Related Party**" of a member of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the member's spouse;
- (c) A dependant of the member or the member's spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the Corporation Regulations;

"**Company**" means NAOS Ex-50 Opportunities Company Limited (ACN 169 448 837);

"**Constitution**" means the Company's constitution;

"**Convertible Note**" means a convertible note on the terms described in Resolution 5 and Schedule 1;

"**Corporations Act**" means the *Corporations Act 2001* (Cth);

"**Directors**" means the current Directors of the Company;

"**Explanatory Memorandum**" means this Explanatory Memorandum as modified or varied by any supplementary Memorandum issued by the Company from time to time;

"**Key Management Personnel**" or "**KMP**" has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

"**Meeting**" or "**Annual General Meeting**" means the annual general meeting convened by this Notice;

"**Notice**" or "**Notice of Meeting**" means the notice convening the annual general meeting of the Company to be held on 12 November 2020 which accompanies this Explanatory Memorandum;

"**Proxy Form**" means the proxy form that is enclosed with and forms part of this Notice;

"**Remuneration Report**" means the remuneration report set out in the Directors' Report section of the Company's Annual Financial Report for the year ended 30 June 2020;

"**Resolution**" means a resolution in the form proposed in the Notice of Meeting;

"**Shareholder**" means a registered holder of a Share in the Company; and

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

SCHEDULE 1 – CONVERTIBLE NOTE TERMS

The terms and conditions of each Convertible Note are set out below. Capitalised terms not otherwise defined in this Notice have the meaning given to them in the prospectus dated 30 September 2020.

Term	Details
Subscription Amount	\$100.00 per Convertible Note.
Maturity Date	30 September 2027.
Interest	Interest is payable on a semi-annual basis at the rate of: (a) 5.50% per annum until 30 September 2025; (b) 6.50% per annum on and from 30 September 2025 until 30 September 2026; and (c) 7.50% per annum on and from 30 September 2026, on the outstanding principal amount.
Unsecured	The Convertible Notes rank equally with each other and without any preference amongst themselves, and at least equally with all other unsubordinated and unsecured obligations of the Company (other than any obligations preferred by mandatory provisions of applicable law). The Convertible Notes rank ahead of Company's ordinary shares.
Conversion	The Convertible Notes can only be converted into fully paid ordinary shares by the holder of the Convertible Notes providing the Company by written notice: (a) prior to 30 September 2025; or (b) following a Tax Event, if the Company has elected to redeem the Convertible Notes. On conversion, each Convertible Note will convert into that number of Shares which, when multiplied by \$1.15, is equal to the outstanding principal amount plus (subject to compliance with the ASX Listing Rules) any interest due and payable. If, at any time prior to the conversion of the Convertible Notes, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction, return or cancellation of the issued capital or bonus issue), the terms of the Convertible Notes (including the conversion price) will be reorganised so as to ensure that the holders of Convertible Notes will not be disadvantaged by the reorganisation in its position relative to the holders of ordinary shares, but at the same time will not receive a benefit that the holders of ordinary shares do not also receive. For the avoidance of doubt, a reorganisation does not include any placement or pro-rata entitlement issue of securities.
Redemption	The Convertible Notes can only be redeemed in the following circumstances: (a) where there is a Change of Control Event or Delisting Event, upon the holder of the Convertible Note providing the Company with notice; (b) at the Company's election on 30 September 2025 or any Interest Payment Date thereafter; (c) at the Company's election following a Tax Event or Change of Control Event; or (d) at the Company's election on any date that the aggregate principal amount of the Convertible Notes outstanding is less than \$5,000,000.
Transferability	The Convertible Notes are transferrable.
Quotation	The Company will apply for the Convertible Notes to be quoted on the ASX.
No Voting Rights	The holders of Convertible Notes will not have any voting rights prior to conversion.
Participation	There are no participation rights or entitlements inherent in the Convertible Notes and holders of Convertible Notes will not be entitled to participate in new issues of capital offered to Shareholders prior to conversion.
Governing Law	New South Wales, Australia.



NAOS Ex-50 Opportunities Company Limited

All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEDT) on Tuesday, 10 November 2020.**

🖥 TO VOTE ONLINE

📱 BY SMARTPHONE

STEP 1: VISIT <https://www.votingonline.com.au/nacagm2020>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (AEDT) on Tuesday, 10 November 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/nacagm2020>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

NAOS Ex-50 Opportunities Company Limited

ABN 49 169 448 837

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **NAOS Ex-50 Opportunities Company Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at **State Library of NSW, Corner of Macquarie Street and Shakespeare Place, Sydney NSW 2000 on Thursday, 12 November 2020 at 11:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

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

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report	☐	☐	☐
Resolution 2	Re-election of Director - Mr Warwick Evans	☐	☐	☐
Resolution 3	Approval to Alter the Company's Constitution	☐	☐	☐
Resolution 4	Approval of Additional 10% Placement Facility	☐	☐	☐
Resolution 5	Approval to Issue Convertible Notes	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020