

## Appendix 3G

### Notification of issue, conversion or payment up of equity +securities

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

\*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

#### Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Audio Pixels Holdings Limited
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	ACN 094 384 273
1.3	*ASX issuer code	AKP
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement	Friday 16 April 2021

Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are: <i>Select whichever item is applicable.</i> <i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify] <i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)? <i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	N/A
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted: <i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i> <i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	N/A
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX security code if available)? <i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	N/A
2.2b.2	<p>And the date the +securities were fully paid up: <i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i> <i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	N/A

2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	122,000 unlisted options exercisable at \$27.70 (New security code)						
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Please see attached Annexure A						
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	No						
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1" data-bbox="338 1173 1364 1272"> <thead> <tr> <th data-bbox="338 1173 676 1223">Name of KMP</th> <th data-bbox="676 1173 1050 1223">Name of registered holder</th> <th data-bbox="1050 1173 1364 1223">Number of +securities</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 1223 676 1272"></td> <td data-bbox="676 1223 1050 1272"></td> <td data-bbox="1050 1223 1364 1272"></td> </tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities			
Name of KMP	Name of registered holder	Number of +securities						
2.2d.1	<p>*The purpose(s) for which the entity is issuing the +securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<p><input type="checkbox"/> To raise additional working capital</p> <p><input type="checkbox"/> To fund the retirement of debt</p> <p><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> To pay for services rendered [provide details below]</p> <p><input type="checkbox"/> Other [provide details below]</p> <p><i>Additional details:</i></p>						
2.2d.2	<p>Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B</p> <p><i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i></p>	N/A						

2.3	<p>*The +securities being issued are: <i>Tick whichever is applicable</i></p>	<input type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class") <input checked="" type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")
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### Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX security code & description	N/A
3A.2	*Number of +securities being issued	
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	Yes or No
3A.3b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? <i>Answer this question if your response to Q3A.3a is "No".</i>	Yes or No
3A.3c	*Provide the actual non-ranking end date <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i>	
3A.3d	*Provide the estimated non-ranking end period <i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i>	
3A.3e	*Please state the extent to which the +securities do not rank equally: <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <i>Answer this question if your response to Q3A.3a is "No".</i>  <i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i>	

### Part 3B – number and type of +securities being issued (new class)

Answer the questions in this part if your response to Q2.3 is "new class".

Question No.	Question	Answer
3B.1	*Security description	Unlisted options at an exercise price of \$27.70 expiring on 16 April 2025

3B.2	<p><b>*Security type</b></p> <p><i>Select one item from the list that best describes the securities the subject of this form. This will determine more detailed questions to be asked about the security later in this section. Select "ordinary fully or partly paid shares/units" for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either "Convertible debt securities" or "Non-convertible debt securities". Select "Other" for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</i></p>	<input type="checkbox"/> Ordinary fully or partly paid shares/units <input checked="" type="checkbox"/> Options <input type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Other
3B.3	<p><b>ISIN code</b></p> <p><i>Answer this question if you are an entity incorporated outside Australia and you are issuing a new class of securities other than CDIs. See also the note at the top of this form.</i></p>	
3B.4	<p><b>*Number of +securities being issued</b></p>	122,000
3B.5a	<p><b>*Will all the +securities issued in this class rank equally in all respects from the issue date?</b></p>	Yes
3B.5b	<p><b>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</b></p> <p><i>Answer this question if your response to Q3B.5a is "No".</i></p>	No
3B.5c	<p><b>*Provide the actual non-ranking end date</b></p> <p><i>Answer this question if your response to Q3B.5a is "No" and your response to Q3B.5b is "Yes".</i></p>	N/A
3B.5d	<p><b>*Provide the estimated non-ranking end period</b></p> <p><i>Answer this question if your response to Q3B.5a is "No" and your response to Q3B.5b is "No".</i></p>	N/A
3B.5e	<p><b>*Please state the extent to which the +securities do not rank equally:</b></p> <ul style="list-style-type: none"> <li>• in relation to the next dividend, distribution or interest payment; or</li> <li>• for any other reason</li> </ul> <p><i>Answer this question if your response to Q3B.5a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p>	N/A
3B.6	<p><b>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued</b></p> <p><i>You may cross reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p>	Please see attached Annexure A

3B.7	<p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p>	No
3B.8a	<p><b>Ordinary fully or partly paid shares/units details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p>	
	<p>*Will there be CDIs issued over the +securities?</p>	Yes or No
	<p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p>	X:Y
	<p>*Is it a partly paid class of +security?</p>	Yes or No
	<p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p>	X:Y
	<p>*Is it a stapled +security?</p> <p><i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p>	Yes or No
3B.8b	<p><b>Option details</b></p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the exercise price is payable.</i></p>	AUD
	<p>*Exercise price</p> <p><i>The price at which each option can be exercised and convert into the underlying security. If there is no exercise price please answer as \$0.00.</i></p> <p><i>The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p>	\$27.70
	<p>*Expiry date</p> <p><i>The date on which the options expire or terminate.</i></p>	16 April 2025

	<p>*Details of the number and type of +security (including its ASX security code if the +security is quoted on or recorded by ASX) that will be issued if an option is exercised</p> <p><i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p>	One fully paid ordinary share
3B.8c	<p><b>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units</b></p> <p><i>Answer the questions in this section if you selected one of these security types in your response to Question 3B.2.</i></p> <p><i>Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	<p>*Type of +security</p> <p><i>Select one item from the list</i></p>	<input type="checkbox"/> Simple corporate bond <input type="checkbox"/> Non-convertible note or bond <input type="checkbox"/> Convertible note or bond <input type="checkbox"/> Preference share/unit <input type="checkbox"/> Capital note <input type="checkbox"/> Hybrid security <input type="checkbox"/> Other
	<p>*+Security currency</p> <p><i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	
	<p>Face value</p> <p><i>This is the principal amount of each security.</i></p> <p><i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p>	
	<p>*Interest rate type</p> <p><i>Select one item from the list</i></p> <p><i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i></p>	<input type="checkbox"/> Fixed rate <input type="checkbox"/> Floating rate <input type="checkbox"/> Indexed rate <input type="checkbox"/> Variable rate <input type="checkbox"/> Zero coupon/no interest <input type="checkbox"/> Other
	<p>Frequency of coupon/interest payments per year</p> <p><i>Select one item from the list.</i></p>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annual <input type="checkbox"/> Annual <input type="checkbox"/> No coupon/interest payments <input type="checkbox"/> Other
	<p>First interest payment date</p> <p><i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p>	
	<p>Interest rate per annum</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	% p.a.

	<p>*Is the interest rate per annum estimated at this time? <i>Answer this question if the interest rate type is fixed.</i></p>	Yes or No
	<p>If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known) <i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes". Answer "Unknown" if the date is not known at this time.</i></p>	
	<p>*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)? <i>Answer this question if the interest rate type is floating or indexed</i></p>	Yes or No
	<p>*What is the reference rate, base rate or market rate? <i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	
	<p>*Does the interest rate include a margin above the reference rate, base rate or market rate? <i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No
	<p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum) <i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	% p.a.
	<p>*S128F of the Income Tax Assessment Act status applicable to the +security <i>Select one item from the list</i> <i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> <li>• "s128F exempt" means interest payments are not taxable to non-residents;</li> <li>• "Not s128F exempt" means interest payments are taxable to non-residents;</li> <li>• "s128F exemption status unknown" means the issuer is unable to advise the status;</li> <li>• "Not applicable" means s128F is not applicable to this security</li> </ul>	<input type="checkbox"/> s128F exempt <input type="checkbox"/> Not s128F exempt <input type="checkbox"/> s128F exemption status unknown <input type="checkbox"/> Not applicable
	<p>*Is the +security perpetual (i.e. no maturity date)?</p>	Yes or No
	<p>*Maturity date <i>Answer this question if the security is not perpetual</i></p>	

	<p>*Select other features applicable to the +security</p> <p><i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i></p>	<input type="checkbox"/> Simple <input type="checkbox"/> Subordinated <input type="checkbox"/> Secured <input type="checkbox"/> Converting <input type="checkbox"/> Convertible <input type="checkbox"/> Transformable <input type="checkbox"/> Exchangeable <input type="checkbox"/> Cumulative <input type="checkbox"/> Non-Cumulative <input type="checkbox"/> Redeemable <input type="checkbox"/> Extendable <input type="checkbox"/> Reset <input type="checkbox"/> Step-Down <input type="checkbox"/> Step-Up <input type="checkbox"/> Stapled <input type="checkbox"/> None of the above
	<p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p>	<p>Yes or No</p>
	<p>*If yes, what is the first trigger date</p> <p><i>Answer this question if your response to the previous question is "Yes".</i></p>	
	<p>Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the securities to be quoted are converted, transformed or exchanged</p> <p><i>Answer this question if the security features include "converting", "convertible", "transformable" or "exchangeable".</i></p> <p><i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert "1,000 fully paid ordinary shares (ASX:ABC)".</i></p>	

## Part 4 – Issue details

Question No.	Question	Answer
4.1	<p>*Have the +securities been issued yet?</p>	<p>Yes</p>
4.1a	<p>*What was their date of issue?</p> <p><i>Answer this question if your response to Q4.1 is "Yes".</i></p>	<p>16 April 2021</p>
4.1b	<p>*What is their proposed date of issue?</p> <p><i>Answer this question if your response to Q4.1 is "No".</i></p>	<p>NA</p>
4.2	<p>*Are the +securities being issued for a cash consideration?</p> <p><i>If the securities are being issued for nil cash consideration, answer this question "No".</i></p>	<p>No</p>

4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD. Answer this question if your response to Q4.2 is "Yes".</i>	AUD
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is "Yes" and by reference to the issue currency provided in your response to Q4.2a. Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as "No" and complete Q4.2c.</i>	N/A
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is "No".</i>	Employee retention and incentive
4.3	Any other information the entity wishes to provide about the issue	

## Part 5 – Unquoted +securities on issue

Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:

*Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.*

*Restricted securities should be included in table 5.1.*

5.1	*ASX security code and description	*Total number of +securities on issue
	AKPAB	173,000 unlisted options at an exercise price of \$16.20 expiring on 17 December 2021
	AKP?? (New code)	122,000 unlisted options at an exercise price of \$27.70 expiring on 16 April 2025

## Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is "+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX"; or
- your response to Q2.1 is "Other"

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13<sup>1</sup> and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Yes
6.2	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No".</i></p>	No
6.2a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "Yes".</i></p>	N/A
6.2b	<p>*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	No

<sup>1</sup> Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
  - a summary of the terms of the scheme.
  - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
  - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
  - a voting exclusion statement.

Exception 13 is only available if and to the extent that the number of +equity securities issued under the scheme does not exceed the maximum number set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

6.2b.1	<p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	N/A
6.2c	<p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	N/A
6.2c.1	<p>*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A

Introduced 01/12/19; amended 31/01/20

**Annexure “A”**  
**Summary of the Major Terms and Conditions**  
**of the Employee Incentive Plan**  
**“Plan”**

**1. OUTLINE OF THE PLAN**

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**1.1. Introduction**

The Plan will permit the Company, at the discretion of the Board, to issue traditional options with an Exercise Price and other Rights with no Exercise Price.

Below is a brief outline of how the Board proposes to implement its initial grant of Options under the Plan Rules. Where participation is to be made available to staff who reside outside Australia, there may be modifications to the terms of grant to meet or better comply with the requirements of local laws or practice.

The Plan Rules are summarised in Section 2 below. Most words with initial capitals are defined in the Rules.

**1.2. Employee Incentive Plan**

**Participation**

Carefully designed equity plans are widely considered to be effective in providing long-term incentives to Employees (which, for the purposes of the Plan, includes directors, employees, consultants and contractors), (comprehended by the term “Eligible Person”), to optimise their performance. They can also encourage retention by giving these Employees the opportunity to participate in the creation of a valuable personal asset – a financial stake in the Company, with what the Board believes is good growth prospects.

**Grant Price**

No consideration will be payable for a grant of Options.

**Exercise Price**

The Exercise Price of an Option shall be at the discretion of the Board, equal to or greater than the Market Price on the Issue Date. Market Price in relation to a Share, on a particular day means:

- (a) if there was at least one transaction on the Exchange during the five business days before that day, the volume weighted average of the prices at which a Share was traded on the Exchange during the five business days before that day; or

- (b) if there were no transactions on the Exchange in that five business days in Shares, the last price at which an offer was made on the Exchange in that period to buy a Share.

### **Exercise Period**

The number of Options granted to an Eligible Person on a particular Grant Date will be determined by the Board.

Each Option will have a maximum life of four years from the Grant Date.

If an Employee in respect of whom Options have been granted ceases employment for any reason, the Option grant will lapse in respect of any tranche of which the Exercise Date is after the date of cessation.

### **General**

The Plan and the terms of the initial grant of Options have been designed with the benefit of independent specialist advice.

However, the Board will review all design aspects in respect of future grants and make changes if, in its opinion, this is necessary or desirable to achieve the Company's objectives.

While shareholder approval of employee share plans is not now required under the ASX Listing Rules (except insofar as they involve grants to Directors or their associates), in the Board's opinion any equity plans adopted by the Company should be fully explained to the shareholders and be conditional on the approval of shareholders in general meeting.

Any offers made to Directors require shareholder approval under the Listing Rules of the ASX. Directors will be excluded from voting on any matter which affects the grant of options to themselves in accordance with Listing Rules.

A full copy of the Plan Rules is available from the Company on request.

## 2. SUMMARY OF EMPLOYEE INCENTIVE PLAN RULES

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A summary of the Rules for the Plan, together with comments on the initial grant, is set out below. The Rules are flexible and will allow the Board to make various types of grants. The specific terms of a particular grant will usually be contained in the Invitation sent to the Employee and in associated documentation.

- (a) **Amendments to Plan Rules** - subject to the provisions of the Stock Exchange, the Board may amend the Plan Rules.

Broadly, however, the Rules may not be amended if, in the Board's opinion, the amendment would materially reduce the Rights of a Participant in respect of Options already granted.

Exceptions to this permit amendment for the purpose of complying with State or Commonwealth legislation, the Company's Constitution or the Listing Rules. Also, address possible adverse tax implications for Participants generally or any Group Company.

- (b) **Cessation of Employment** - if the Eligible Person in respect of whom Options are issued (whether to that person or an Associate) ceases employment with any Participating Company the Participant may exercise vested Options (see Item (k)) where provided below) within the stated periods after the cessation, including Incapacity, Redundancy, Retirement or death.

- (c) **Eligible Persons** - Employees, including Executive and Non-Executive Directors of the Company and any Subsidiaries participating in the Plan, and consultants and independent contractors to a Participating Company, who are declared by the Board to be eligible.

- (d) **Exercise Price** - the Exercise Price will be an amount determined by the Board from time to time, fixed at the date of grant or determined by application of methodology approved by the Board, equal to or greater than Market Price on the Issue Date.

- (e) **Invitation to Participate** - under the Plan Rules the Board may invite selected Eligible Persons to apply for Options to acquire a specified number of Shares in the Company.

At the request of an Eligible Person and with the approval of the Board, to the extent the Eligible Person does not personally apply for the full number of Options referred to in an Invitation, some or all of the balance of the Options may be granted to an Associate of the Eligible Person.

“Associate” for this purpose has the meaning given in section 318 of the Income Tax Assessment Act 1936, being also a person who has been approved by the Board for the purposes of the Plan.

- (f) **Options are Non-transferable** - an Option granted to a Participant (including an Associate) is not transferrable, except with the Board's approval, or by force of law on death or legal incapacity.
- (g) **Options to Acquire Shares** - grants will be of Options to acquire Shares by payment of an Exercise Price (as described in 1.2 above).
- (h) **Payment for Shares** - any costs associated with Shares issued or purchased for the purposes of the Plan will be paid by the Company. Any Exercise Price payable on the exercise of an Option will be paid by the Participant.

This addresses “financial assistance” provided by the Company for the acquisition of its own Shares. For example, in the future the Company may set up a trust to purchase Shares on the market for subsequent transfer to Participants in the Plan on exercise of particular Options, rather than issuing new Shares.

- (i) **Plan Rules** - the Employee Incentive Plan Rules establish the Plan
- (j) **Reconstructions, bonus and Rights issues** - the Exercise Price (if there is one) for an Option will be adjusted in the manner contemplated by the ASX Listing Rules to take account of capital reconstructions and bonus issues.

If there is a Rights issue to all shareholders before an Option under the Plan is exercised, the Exercise Price (if any) or the number of Shares subject to the Option will be appropriately adjusted in accordance with the formula provided by the ASX Listing Rules.

- (k) **Vesting and Exercise of Options** - Options to acquire Shares will have a life of four (4) years from grant.

The Vesting Period of the Options shall be three (3) years from the Grant Date, after which there shall be a period of one year terminating four (4) years after Grant Date.

An Option will lapse if it is not exercised within the four (4) years life of the Option.