



5 May 2021

Dear Shareholder,

On behalf of the Directors of Jaxsta Ltd ACN 106 513 580 (**Jaxsta**), I am pleased to invite you to attend an Extraordinary General Meeting (**EGM**) of Jaxsta. Enclosed is the Notice of Meeting setting out the business of the EGM (which includes the Explanatory Memorandum and Attachments).

Jaxsta's Extraordinary General Meeting will be held online only on Friday, 11 June 2021 at 1:00pm (Sydney time) via Zoom meeting. In the interests of the health and safety of our shareholders and staff during the ongoing COVID-19 pandemic, the Jaxsta Board has decided that the EGM will be held as a virtual meeting. Shareholders will not be able to attend the EGM physically but will instead be able to view and participate in the virtual meeting online.

ZOOM MEETING ADDRESS:

https://us02web.zoom.us/webinar/register/WN_BT-vHmU9RXqvuhZnkT7bjQ

The Board encourages shareholders to monitor the Company's website and ASX page for any updates in relation to the General Meeting that may need to be provided.

If you are attending the EGM online, please submit your Proxy Form by no later than 1:00pm Wednesday, 9 June 2021 to facilitate a faster registration. If you are unable to attend the EGM, you must complete and return the enclosed Proxy Form by no later than 1:00pm (Sydney time) on Wednesday, 9 June 2021 in one of the ways specified in the Notice of Meeting and Proxy Form.

I also encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum and Attachments) and the Proxy Form and consider directing your proxy on how to vote on each Resolution by marking either the "for" box, the "against" box or the "abstain" box on the Proxy Form.

Subject to the Directors' abstentions, the Directors of Jaxsta otherwise unanimously recommend that shareholders vote in favour of all resolutions.

Thank you for your support of Jaxsta and I look forward to your attendance and the opportunity to answer questions for you.

Yours faithfully,

Linda Jenkinson
Chairman

JAXSTA LTD
ACN 106 513 580



Notice of Extraordinary General Meeting

Notice is given that the Extraordinary General Meeting (**EGM** or **Meeting**) of the shareholders of Jaxsta Ltd (**Jaxsta** or the **Company**) will be held:

Date: Friday, 11 June 2021

Time: 1:00pm (Sydney time)

Venue: Online Meeting via Zoom

The Explanatory Memorandum accompanying this Notice of Meeting (**Explanatory Memorandum**) provides additional information on matters to be considered at the EGM. The Explanatory Memorandum, Entitlement to Attend and Vote section, Proxy Form and Attachments are part of this Notice of Meeting and should be read in their entirety. If shareholders of the Company (**Shareholders**) are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact Jorge Nigaglioni (**Company Secretary**) by email at co.secretary@jaxsta.com.

Items for approval

Resolution 1: Ratification of prior issue of securities (Placement)

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue on 23 March 2021 of a total of 53,720,000 fully paid ordinary shares in Jaxsta Ltd at an issue price of 7.5 cents per share, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 1

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote cast on Resolution 1 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- 3) 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 the resolution; and

- b) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 2: Ratification of prior issue of securities (broker options)

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the issue of the 3,000,000 share options on 20 April 2021 to Peloton Capital Ltd and its associates at an exercise price of 7.5 cents per share, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement – Resolution 2

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote cast on Resolution 2 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
- 3) 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 the resolution; and
 - b) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 3: Adoption of Employee Option Plan

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

“That, subject to and conditional upon the passing of all Essential Resolutions, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled “Employee Option Plan” and for the issue of Options under that Employee Option Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement – Resolution 3

The Company will disregard any votes cast in favour of Resolution 3 by any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any

associates of those Directors. However, the Company need not disregard a vote cast on Resolution 1 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- 3) 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 the resolution; and
 - b) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- 1) the proxy is either:
 - a) a member of the Key Management Personnel; or
 - b) a Closely Related Party of such a member; and
- 2) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the Company need not disregard a vote cast on Resolution 3 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 4: Issue of options – Linda Jenkinson, Non-Executive Chair

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to:

- i. issue 1,500,000 unlisted options to Linda Jenkinson, being a Director of the Company, or her nominee on the terms and conditions set out in the Explanatory Memorandum which forms part of this Notice of Meeting; and*
- ii. issue up to 1,500,000 fully paid ordinary shares in the Company to Linda Jenkinson upon the exercise of any such unlisted options in accordance with the unlisted options terms.”*



Voting Exclusion Statement – Resolution 4

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- 1) a Director of the Company who is eligible to participate in the Jaxsta Incentive Option Plan; or
- 2) an associate of any of those Directors.

However, the Company need not disregard a vote cast on Resolution 4 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- 3) 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 the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company is not aware of any person referred to in Listing Rule 10.14.3 whose relationship with a director or an associate of a director is such that, in ASX's opinion, the issue should be approved by security holders.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- 1) the proxy is either:
 - a) a member of the Key Management Personnel; or
 - b) a Closely Related Party of such a member; and
- 2) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the Company need not disregard a vote cast on Resolution 3 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
- 3) 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 the resolution; and
- b) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5: Issue of options – Brett Cottle, Non-Executive Director

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to:

- i. *issue 1,500,000 unlisted options to Brett Cottle being a Director of the Company, or his nominee on the terms and conditions set out in the Explanatory Memorandum which forms part of this Notice of Meeting; and*
- ii. *issue up to 1,500,000 fully paid ordinary shares in the Company to Brett Cottle upon the exercise of any such unlisted options in accordance with the unlisted options terms.”*

Voting Exclusion Statement – Resolution 5

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- 1) a Director of the Company who is eligible to participate in the Jaxsta Incentive Option Plan; or
- 2) an associate of any of those Directors.

However, the Company need not disregard a vote cast on Resolution 5 if:

- 1) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 2) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides; or
- 3) 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 the resolution; and
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.



The Company is not aware of any person referred to in Listing Rule 10.14.3 whose relationship with a director or an associate of a director is such that, in ASX's opinion, the issue should be approved by security holders.

The Company is not aware of any person referred to in Listing Rule 10.14.3 whose relationship with a director or an associate of a director is such that, in ASX's opinion, the issue should be approved by security holders.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- 1) the proxy is either:
 - a) a member of the Key Management Personnel; or
 - b) a Closely Related Party of such a member; and
- 2) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the Company need not disregard a vote cast on Resolution 3 if:

- 3) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- 4) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Other business

To transact any other business that may be lawfully brought forward in accordance with the constitution of the Company (**Constitution**), the Corporations Act and the ASX Listing Rules.

BY ORDER OF THE BOARD

Jorge Nigaglioni
Company Secretary
5 May 2021

Entitlement to attend and vote

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (Sydney time) on Wednesday, 9 June 2021 being the time that is not more than 48 hours before the date of the Meeting will be entitled to attend and vote at the EGM as a shareholder.

If more than one joint holder of shares is present at the EGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the EGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 1:00pm (Sydney time) on Wednesday, 9 June 2021 (being 48 hours before the EGM). Proxies must be received before that time by one of the following methods:

By post:	Jaxsta Ltd C/- Automic Share Registry GPO Box 5193, Sydney NSW 2001
By facsimile:	1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia)
By delivery in person:	Automic Share Registry Level 5, 126 Phillip Street Sydney NSW 2000 Australia
Online:	https://www.automicgroup.com.au/
Email:	hello@automic.com.au

To be valid, a Proxy Form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.



Power of Attorney

A Proxy Form and the original power of attorney (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 1:00pm (Sydney time) on Wednesday, 9 June 2021, being 48 hours before the EGM.

Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the EGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the EGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at <https://www.automicgroup.com.au/>.

IMPORTANT: If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 2 and 6, then by submitting the Proxy Form you will be expressly authorising the Chair to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

Voting at the Meeting

Pursuant to Clause 13.14 of the Company's Constitution, voting on each of the proposed resolutions at this Meeting will be conducted by a show of hands, or poll, at the discretion of the Chair.

Shareholder Questions

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please email info@jaxsta.com.

To allow time to collate questions and prepare answers, please submit any questions by 10:00am (Sydney time) on Friday, 4 June 2021. Questions will be collated and, during the EGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the EGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

Enclosures

Enclosed is the Proxy Form to be completed if you would like to be represented at the EGM by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on Jaxsta's share registry's website at <https://www.automicgroup.com.au/> to ensure the timely and cost effective receipt of your proxy instructions.



Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of shareholders of the Company in relation to the business to be conducted at the Company's EGM to be held online via zoom meeting on Friday, 11 June 2021 at 1:00pm (Sydney time).

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Subject to the Directors' abstention from making a recommendation in respect of Resolutions 3, 4 and 5, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Resolutions 1, 2, 3, 4 and 5 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution.

The Board of Directors of the Company (**Board**) recommends that Shareholders read this Explanatory Memorandum and its Attachments, before determining whether to support the Resolutions in the Notice of Meeting or otherwise. If you have any questions regarding the matters set out in this Explanatory Memorandum, the Attachments or the Notice of Meeting, please contact the Company Secretary, your stockbroker, your accountant, your solicitor or other professional adviser.

Resolutions 1 and 2: Ratification of prior issues of securities

ASX Listing Rule information

The Company seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for previous issues of equity securities made by the Company during the last 12 months under the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue equity securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at the commencement of that 12 month period without shareholder approval (**15% Placement Capacity**).

ASX Listing Rule 7.4 permits the ratification of previous issues of equity securities which were not made under an exception prescribed in ASX Listing Rule 7.2 or with shareholder approval, provided that such issues did not breach the Company's 15% Placement Capacity. If shareholders of a company ratify such previous issues of equity securities at a general meeting, those equity securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

The Company has issued 53,720,000 fully paid ordinary shares and 3,000,000 unlisted options using its 15% Placement Capacity during the prior 12 months (**Securities**). Accordingly, if Shareholders ratify the previous issues of securities by way of approving Resolutions 1 and 2, those securities:

- 1) will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1; and

- 2) will no longer be deducted from the Company's 15% Placement Capacity.

The Shareholder approval will in effect, refresh the Company's 15% Placement Capacity.

Resolution 1 - Technical information required by ASX Listing Rule 7.5

Resolution 5 seeks Shareholder ratification of the issue of 53,720,000 fully paid ordinary shares on 24 March 2021 following the successful completion of a placement to sophisticated and professional investors (**Placement**). Bell Potter Securities acted as Lead Manager to the Placement.

The Placement was priced at \$0.075 per share and raised \$4,029,000 gross proceeds.

For the purposes of ASX Listing Rule 7.5, the following information is provided;

- 1) the number of shares issued under the Placement was 53,720,000;
- 2) the shares issued under the Placement were issued at a price of A\$0.075 per share;
- 3) the shares issued under the Placement were fully paid ordinary shares which rank equally with other existing shares from the date of issue;
- 4) Shares under the Placement have been issued to a range of sophisticated and professional investors identified by Peloton Capital in consultation with the Board who qualified under the requirements of section 708 of the Corporations Act; and
- 5) the net funds raised from the Placement were and will continue to be used by the Company to accelerate the commercialisation of its recently released API and to launch the new tiers of its Jaxsta Pro subscription service that are part of the long-term business plan. Funds will continue to be used primarily for:
 - a) sales, marketing and promotional activities supporting the launch of the Jaxsta commercial API and the rollout of the initial tiers of Jaxsta Pro;
 - b) continued systems and platform development of Jaxsta Pro;
 - c) new data acquisition; and
 - d) working capital.

A Voting Exclusion Statement accompanies Resolution 1 in the Notice of Meeting.

Resolution 2 - Technical information required by ASX Listing Rule 7.5

Resolution 2 seeks Shareholder ratification of the issue of 3,000,000 unlisted options on 15 April 2021 to Peloton Capital Pty Ltd and its associates (**Peloton**).

In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to Shareholders:

- 1) 3,000,000 unlisted options were issued to Peloton pursuant to a Corporate Advisor and Capital Raising Mandate (the **Peloton Options**);
- 2) the Peloton Options were issued to Peloton for nil cash consideration;

- 3) each Peloton Option has an exercise price of \$0.15 and grants Peloton the ability to subscribe for one ordinary share in the Company. The Peloton Options are exercisable for a period of 3 years. Upon exercise of the Peloton Options, Peloton will be issued fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing ordinary shares;
- 4) the Peloton Options were issued to Peloton in connection with a Corporate Advisor and Capital Raising Mandate entered into by Jaxsta with Peloton under which Jaxsta is obligated to issue the options as part of the placement fees;
- 5) no funds were raised from the issue of the Peloton Options as they were issued for nil cash consideration with a \$0.15 per option exercise price and granted Jaxsta access to the placement funds; and
- 6) a Voting Exclusion Statement accompanies Resolution 2 in the Notice of Meeting.

A summary of the key terms and conditions of the Peloton Options is set out in **Attachment A** to this Notice of Meeting.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolutions 1 and 2.

Resolutions 3: Approval Of Employee Option Plan

General

Resolution 3 seeks Shareholders approval for the adoption of the employee incentive scheme titled 'Employee Option Plan' (Plan) and for the issue of Options under the Plan, in accordance with ASX Listing Rule 7.2 (Exception 13(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 13(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to issue Options under the Plan to eligible employees over a period of 3 years from the date of approval without impacting on the Company's ability to issue up to 15% of its total ordinary securities without prior Shareholder approval in any 12 month period.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Options under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.



Any issues of Options under the Plan to a Director, an associate of the Director, or a person whose relationship with the Company, Director or associate of the Director is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

Previous issues

Shareholders should note that the Company issued a total of 12,590,000 under the Jaxsta Incentive Plan that was approved by shareholders on 17 August 2018. No Options have previously been issued under the proposed Plan.

Maximum number of options that can be issued under the proposed plan

The maximum number of Options that may be issued under the plan are 15,045,522.

Other employee incentive schemes

Other than the Plan, the Company does not operate any other employee incentive schemes. The Company has proposed to issue 3,000,000 options to two of its Directors as part of a section 708 placement to Senior Management.

Key terms and conditions of the Plan

A summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary (+61 2 8317 1000). Shareholders are invited to contact the Company if they have any queries or concerns.

A Voting Exclusion Statement accompanies Resolution 6 in the Notice of Meeting.

Board recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3

Resolutions 4 & 5: Issue of Options to Directors

General

The Company has agreed, subject to obtaining Shareholder approval to issue the following number of unlisted options to the Directors as part of their remuneration for their role as Chair (Linda Jenkinson) and Non-Executive Directors of the Company:

- 1) Resolution 4 - 1,500,000 unlisted options to Linda Jenkinson (or her nominee);
 - 2) Resolution 5 - 1,500,000 unlisted options to Brett Cottle (or his nominee),
- (together, the **Director Options**).

Linda Jenkinson and Brett Cottle are related parties of the Company for the purposes of the ASX Listing Rules. Resolutions 4 and 5 seek Shareholder approval for the issue of the Director Options.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- 1) obtain the approval of the public company's members in the manner set out in sections 217 and 227 of the Corporations Act; and
- 2) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in the sections 210 to 216 of the Corporations Act.

The issue of the Director Options to the Directors constitutes giving a financial benefit and each of the Directors is a related party of the Company by virtue of being a Director.

The Directors (other than Linda Jenkinson who has a material personal interest in Resolution 4 and Brett Cottle who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act of the Corporations Act is not required in respect of the issues because the Director Options will be issued to Linda Jenkinson and Brett Cottle (or their respective nominees) in lieu of their normal, periodic directors' fees, and are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act and were negotiated on an arm's length basis. The Directors recognise the importance that Directors and management have "skin in the game" and to align their interests with that of Jaxsta's Shareholders. It is therefore proposed to issue unlisted options to the Non-Executive Directors providing each with the opportunity to exercise those unlisted options on payment of the exercise price, into fully paid ordinary shares in the Company.

Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to a related party of the Company unless it obtains the approval of its shareholders.

The issue of the Director Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. Resolutions 4 to 5 therefore require the approval of Shareholders under Listing Rule 10.11.

Resolutions 4 to 5 seek Shareholder approval for the issue of the Director Options under and for the purposes of Listing Rule 10.11.

Technical information required by Listing Rule 14.1A

If Resolutions 4 to 5 are passed, the Company will be able to proceed with the issue of the Director Options within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Options (because approval is being obtained under Listing Rule 10.11), the issue of the Director Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 4 and 5 are not passed, the Company will not be able to proceed with the issue of the Director Options to Ms Jenkinson and Mr Cottle and may need to consider cash payments as an alternative.

Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolutions 4 to 5:

- 1) the Director Options will be issued to:
 - a) Resolution 4 – Ms Jenkinson (or her nominee), who falls within the category set out in Listing Rule 10.11.1 as Ms Jenkinson is a related party of the Company by virtue of being a Director;
 - b) Resolution 5 – Mr Cottle (or his nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Cottle is a related party of the Company by virtue of being a Director;
- 2) the maximum number of Director Options to be issued to:
 - a) Resolution 4 – Ms Jenkinson (or her nominee) is 1,500,000 unlisted options;
 - b) Resolution 5 – Mr Cottle (or his nominee) is 1,500,000 unlisted options;
- 3) the Director Options will be issued on the same terms and conditions as the Company's unlisted options issued via the Jaxsta Incentive Plan. The terms and conditions of the unlisted options are set out in Attachment C;
- 4) the Director Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- 5) the Directors Options to be issued will be for nil cash consideration as they constitute a fee for services provided by the recipients;
- 6) the purpose of the issue of Director Options under Resolutions 4 to 5 is to appropriately remunerate Ms Jenkinson and Mr Cottle, for their Directors' fees in lieu of the Company paying such fees in cash, therefore no funds will be raised as a result of the issue of Directors Options under Resolutions 4 to 5. Any funds raised on the exercise of the Director Options will be used to assist in funding working capital and general operational matters;
- 7) the remuneration and emoluments from the Company to Ms Jenkinson and Mr Cottle for the previous financial year and proposed remuneration and emoluments for the current financial year as set out below:

Related Party	Current Financial Year (FY2021) ¹	Previous Financial Year (FY2020)
Linda Jenkinson	\$105,000	\$45,000

Brett Cottle	\$45,000	\$90,000
--------------	----------	----------

Notes:

1. This does not include the value of any future Securities which may be issued to the Director, including pursuant to this Notice.
2. The fees for each year shown above include the reduction of fees implemented by the board during the COVID-19 pandemic. Ms Jenkinson forfeited \$30,000 in FY2020 and \$15,000 in FY2021. Mr Cottle forfeited \$15,000 in FY2020 and \$7,500 in FY2021

- 8) The Directors Options are not being issued under an agreement; and
- 9) A voting exclusion statements is included in Resolutions 4 to 5 of the Notice.

The key terms and conditions of Director Options is set out in **Attachment C** of this Notice of Meeting.

Board recommendation

The Board (other than Linda Jenkinson) recommend that Shareholders vote in favour of Resolution 4. The non-associated Directors of the Company believe that the grant of the Director Options to Linda Jenkinson is a reasonable and appropriate method to provide cost effective remuneration as the non-cash benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would be able if alternate non-cash remuneration were given to Linda Jenkinson. Linda Jenkinson makes no recommendation in respect of Resolution 4 due to her personal interest in the matter being considered.

The Board (other than Brett Cottle) recommend that Shareholders vote in favour of Resolution 4. The non-associated Directors of the Company believe that the grant of the Director Options to Brett Cottle is a reasonable and appropriate method to provide cost effective remuneration as the non-cash benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would be able if alternate non-cash remuneration were given to Brett Cottle. Brett Cottle makes no recommendation in respect of Resolution 4 due to his personal interest in the matter being considered.



Attachment A - Terms and conditions of Peloton Options

Key Term	Description
Issue of Options	The Options were granted on 17 April 2021.
Entitlement	Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
Exercise Price	Subject to a reorganisation of capital (described in the 'Reorganisation of Capital' section below), the amount payable upon exercise of each Option is A\$0.15 (Exercise Price).
Vesting	The Options vest immediately.
Expiry Date	Each Option will expire on the date that is the third year anniversary of the vesting date of the Option as detailed in the 'Vesting' section above (Expiry Date).
Exercise Period	The Options are exercisable during the period commencing on the applicable vesting date of the Options as detailed in the 'Vesting' section above and ending on the Expiry Date (Exercise Period). The holder's right to exercise a Option immediately lapses at midnight on the Expiry Date.
Notice of Exercise	An Option may be exercised during the Exercise Period by notice to the Company (Notice of Exercise) and payment of the Exercise Price for each Option within 5 days of the date of the Notice of Exercise.
Timing of issue of Shares on exercise	<p>Upon the exercise of a Option, the Company must:</p> <ol style="list-style-type: none">1) within five (5) business days of the date on which the Exercise Notice takes effect, subject to any change to the number of Shares to be issued or to the Exercise Price required under the terms applicable to the Options as a result of a reorganisation of the Company's share capital, issue to the holder one Share for each Option exercised;2) apply to ASX for listing or quotation of the Shares to be issued pursuant to the exercise of the Options and any such application must be made in accordance with the ASX Listing Rules;3) subject to the Corporations Act, issue a certificate representing the Shares issued on exercise of the Options within five (5) business days of the issue of the Shares.

Shares issued on exercise	Shares issued on exercise of the Options will, subject to the Company's Constitution, rank equally with the existing Shares at the date of issue.
Reorganisation of capital	If prior to the issue of Shares on exercise of a Option, there is a reorganisation of the capital of the Company (including pro-rata bonus or rights issue, consolidation, subdivision, reduction or return), the Option and the Exercise Price of the Option is to be changed in the manner set out in the Option Agreement subject to the requirements of the Corporations Act and the ASX Listing Rules.
Participation in new issues	The holder may only participate in new issues of Shares if the holder exercises any Options and becomes the holder of Shares on or prior to the record date for the new issue of Shares.
Transferability	The Options are not transferable for a period of 12 months from the date the Options are issued to the holder without the prior written consent of the Company other than where a Permitted Vesting Event occurs or where there is a transfer to a related body corporate of the Option holder with the prior consent of the Company.



Attachment B - Summary of the Jaxsta Incentive Option Plan

Key Term	Description
Eligibility	<p>Participants in the Jaxsta Incentive Option Plan (Plan) may be:</p> <ol style="list-style-type: none">1) a Director (whether executive or non-executive) of the Company, its subsidiaries and any other related body corporate of the Company (Group Company);2) a full or part time employee of any Group Company;3) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 (or any amendment to or replacement of that Class Order) (Class Order); or4) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a Participant under clauses (i), (ii) or (iii) above, <p>who is declared by the Board to be eligible to receive grants of Options under the plan (Participants).</p>
Offer	<p>The Board may, from time to time, in its absolute discretion, make a written offer to any Participant (including a Participant who has previously received an offer) to apply for up to a specified number of Options, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.</p>
Plan limit	<p>The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Options offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer. The maximum number of Options that may be issued are 15,045,522.</p>
Issue price	<p>Unless the Options are quoted on the ASX, Options issued under the plan will be issued for no more than nominal cash consideration.</p>
Vesting Conditions	<p>An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Option (Vesting Conditions).</p>
Vesting	<p>The Board may in its absolute discretion (except in respect of a Change of Control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant, resolve to waive any of the Vesting Conditions applying to Options due to:</p>

- 1) Special Circumstances arising in relation to a Relevant Person in respect of those Options;
- 5) a Change of Control (defined below) occurring; or
- 6) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

Lapse of an Option

An Option will lapse upon the earlier to occur of:

- 1) an unauthorised dealing in the Option;
- 7) a Vesting Condition in relation to the Option is not satisfied by its due date, or becomes incapable of satisfaction, unless the Board exercises its discretion to vest the Option (e.g., due to death, total and permanent disability);
- 8) in respect of unvested Options only, a Participant ceases to be a Participant, unless the Board exercises its discretion to vest the Options (e.g., due to death, total and permanent disability) or allow the unvested Options to remain unvested after the relevant person ceases to be a Participant;
- 9) in respect of vested Options only, a relevant person ceases to be a Participant and the Option granted in respect of that person is not exercised within one (1) month (or such later date as the Board determines) of the date that person ceases to be a Participant;
- 10) the Board deems that an Option lapses due to fraud, dishonesty or other improper behaviour of the Participant;
- 11) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Option; and
- 12) the expiry date of the Option.

Not transferrable

Options are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

Shares

Shares resulting from the exercise of the Options shall, subject to any Sale Restrictions (refer below) from the date of issue, rank on equal terms with all other Shares on issue.

Quotation of Shares

If Shares of the same class as those issued upon exercise of Options issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any restriction period applying to the disposal of Shares ends.

Share Sale Restrictions

The Board may, in its discretion, determine at any time up until exercise of Options, that a restriction period will apply to some or all of the

Shares issued to a Participant (or their eligible nominee) on exercise of those Options up to a maximum of seven (7) years from the grant date of the Options.

No Participation Rights

There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

Reorganisation

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the terms of the Options will be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

Amendments

Subject to express restrictions set out in the Plan and complying with the Corporations Act, ASX Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Option granted under the Plan including giving any amendment retrospective effect.

Definitions

Capitalised terms used in the above summary are as defined in the Plan, including:

Change of Control means:

- 1) a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares;
- 2) a court approves, under section 411 (4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
- 3) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.



Attachment C - Terms and conditions of Director Options

Key Term	Description
Issue of Options	The Options are to be issued within a month of the date of this meeting.
Entitlement	Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
Exercise Price	Subject to a reorganisation of capital (described in the 'Reorganisation of Capital' section below), the amount payable upon exercise of each Option is 167% of the price of ordinary shares at the time of grant. (Exercise Price).
Vesting	<p>The Options vest in tranches for Ms Jenkinson and Mr Cottle, respectively as follows:</p> <ol style="list-style-type: none">1) 750,000 vesting upon reaching a 30 day VWAP of \$0.175 on or before 5 years from the Grant Date;2) 750,000 vesting upon reaching a 30 day VWAP of \$0.250 on or before 5 years from the Grant Date;.
Expiry Date	Each Option will expire on the date that is the fifth year anniversary of the grant date of the Option.
Exercise Period	The Options are exercisable during the period commencing on the applicable vesting date of the Options as detailed in the 'Vesting' section above and ending on the Expiry Date (Exercise Period). The holder's right to exercise a Option immediately lapses at midnight on the Expiry Date.
Notice of Exercise	An Option may be exercised during the Exercise Period by notice to the Company (Notice of Exercise) and payment of the Exercise Price for each Option within 5 days of the date of the Notice of Exercise.
Timing of issue of Shares on exercise	<p>Upon the exercise of a Option, the Company must:</p> <ol style="list-style-type: none">3) within five (5) business days of the date on which the Exercise Notice takes effect, subject to any change to the number of Shares to be issued or to the Exercise Price required under the terms applicable to the Options as a result of a reorganisation of the Company's share capital, issue to the holder one Share for each Option exercised;4) apply to ASX for listing or quotation of the Shares to be issued pursuant to the exercise of the Options and any such application must be made in accordance with the ASX Listing Rules;

-
- 5) subject to the Corporations Act, issue a certificate representing the Shares issued on exercise of the Options within five (5) business days of the issue of the Shares.
-

Shares issued on exercise

Shares issued on exercise of the Options will, subject to the Company's Constitution, rank equally with the existing Shares at the date of issue.

Reorganisation of capital

If prior to the issue of Shares on exercise of a Option, there is a reorganisation of the capital of the Company (including pro-rata bonus or rights issue, consolidation, subdivision, reduction or return), the Option and the Exercise Price of the Option is to be changed in the manner set out in the Option Agreement subject to the requirements of the Corporations Act and the ASX Listing Rules.

Participation in new issues

The holder may only participate in new issues of Shares if the holder exercises any Options and becomes the holder of Shares on or prior to the record date for the new issue of Shares.

Transferability

The Options are not transferable for a period of 12 months from the date the Options are issued to the holder without the prior written consent of the Company other than where a Permitted Vesting Event occurs or where there is a transfer to a related body corporate of the Option holder with the prior consent of the Company.

[EntityRegistrationDetailsLine1Envelope]
[EntityRegistrationDetailsLine2Envelope]
[EntityRegistrationDetailsLine3Envelope]
[EntityRegistrationDetailsLine4Envelope]
[EntityRegistrationDetailsLine5Envelope]
[EntityRegistrationDetailsLine6Envelope]

[HolderNumber]

Holder Number:
[HolderNumber]

Your proxy voting instruction must be received by **1.00pm (AEST) on Wednesday, 9 June 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding Where the holding is in more than one name, all Shareholders 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 Proxy Voting Form when you return it.

Companies To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications dispatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/loginsah>
or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WECHAT:

<https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)

