



Cellnet Group Limited

ACN 010 721 749

Notice of Annual General Meeting to be held at:

Date: Thursday, 21 October 2021
Time: 10am (Brisbane time)
Location: Virtually via an online platform provided by the Company's share registry, Link Market Services Limited at <https://agmlive.link/CLTAGM21>

This is an important document and requires your attention

If you are in any doubt about how to deal with this Notice, please consult your legal, financial or other professional advisor.

The Directors have determined, pursuant to Regulation 7.11.37 of the Regulations that persons eligible to vote at the Annual General Meeting are those who are registered as Shareholders at 7pm (Sydney time) on 19 October 2021.

A copy of this Notice and the Explanatory Memorandum were provided to the ASX on 2 September 2021 in accordance with Listing Rule 15.1.

Neither the ASX nor any of its officers, take any responsibility for the content of this Notice or the Explanatory Memorandum.

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Cellnet Group Limited ACN 010 721 749 (**Company**) will be held as a virtual meeting on Thursday, 21 October 2021 at 10:00 am (Brisbane time) and the Company will provide Shareholders with the opportunity to participate in the Annual General Meeting virtually through an online platform provided by the Company's share registry, Link Market Services Limited at <https://agmlive.link/CLTAGM21>.

By participating in the Meeting virtually, Shareholders will be able to:

- watch and listen to the presentations and discussions during the Meeting;
- vote on the resolutions to be considered at the Meeting;
- ask questions of the Board during the Meeting via the online platform; and
- ask questions via telephone.

To ask a question via telephone, Shareholders will need to contact Link Market Services on +61 1800 990 363 or 1800 990 363 prior to the Meeting to obtain a personalised PIN number. To ask a question on the day of the meeting via telephone, please dial +61 2 9189 2034 or 1800 271 204. You will receive instructions on how to ask a question during the Meeting from the phone moderator. Please make sure you have your PIN available. If your holding cannot be verified by the phone moderator, you will attend the Meeting as a visitor and will not be able to ask a question.

The business to be considered at the Annual General Meeting is set out below. This Notice should be read in conjunction with the accompanying Explanatory Memorandum. Terms used in this Notice and the Explanatory Memorandum are defined in the glossary set out in the notes to this Notice. A proxy form also accompanies this Notice.

Agenda

Ordinary business

1. Financial statements and reports

To receive and consider the Financial Report, Directors' Report and Audit Report for the Company and its controlled entities for the financial year ended 30 June 2021.

Resolution 1. Adoption of the Remuneration Report

To consider, and if thought fit, to pass Resolution 1 as a non-binding ordinary Resolution under section 250R (2) of the Corporations Act:

'That the Remuneration Report for the year ended 30 June 2021 be adopted.'

Notes:

- (a) Resolution 1 is advisory only and does not bind the Company or the Directors.
- (b) If 25% or more of votes that are cast are voted against the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a 'spill resolution') that another meeting of the Shareholders be held within 90 days at which all of the Directors (other than the Managing Director) must stand for re-election.

Special Business

Resolution 2. - Re-election of Mr. Kevin Gilmore as a Director

To consider and if thought fit, to pass Resolution 2 as an ordinary Resolution:

'That Mr. Kevin Gilmore, a non-executive Director retiring by rotation in accordance with the Constitution and the Listing Rules and being eligible for re-election, be re-elected as a Director.'

Resolution 3. - Approval of Additional Capacity to Issue Shares

To consider and, if thought fit, pass Resolution 3 as a special Resolution:

'That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholder approval is given for the issue of Shares by the Company pursuant to Listing Rule 7.1A, such that, subject to the conditions described in the Explanatory Memorandum, the Company will have the benefit of the additional capacity to issue Shares as contemplated by Listing Rule 7.1A.'

Resolution 4. - Approval of Performance Rights Plan and subsequent issues of securities under the Performance Rights Plan

To consider, and if thought fit, to pass Resolution 4 as an ordinary resolution:

'That, for the purposes of Listing Rule 7.2 (Exception 13) and for all other purposes, approval be given to the Performance Rights Plan and the subsequent issue of securities under that plan on the basis set out in the Explanatory Notes.'

Resolution 5. – Replacement of the Constitution

To consider and, if thought fit, pass Resolution 5 as a special Resolution:

'That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal the Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.'

Dated: 21 September 2021

By order of the Board

**Chris Barnes
Company Secretary**

Notes

1. Under regulation 7.11.37 of the Regulations, the Directors have determined the shareholding of each Shareholder for the purposes of ascertaining their voting entitlements at the Annual General Meeting will be as it appears in the register of Shareholders at 7pm (Sydney time) on 19 October 2021.
2. Votes at the Annual General Meeting may be given personally or by proxy, attorney or corporate representative. A Shareholder entitled to attend and vote at the Annual General Meeting has the right to appoint no more than two proxies.
3. A body corporate that is a Shareholder may appoint an individual to act as its representative at the Annual General Meeting in accordance with section 250D of the Corporations Act. The Company will require a certificate of appointment of the corporate representative, executed in accordance with the Corporations Act. The certificate of appointment must be lodged with Link Market Services Limited before the Annual General Meeting. Please contact the Company or Link Market Services Limited on 1300 554 474 to obtain a certificate of appointment.
4. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
5. If the Shareholder appoints two proxies and the appointment does not specify the proportion or the number of the Shareholder's votes each proxy may exercise, each proxy may exercise one half of the Shareholder's votes. If the Shareholder appoints two proxies, neither proxy may vote on a show of hands.
6. A proxy form is attached to this Notice. A proxy need not be a Shareholder.
7. A proxy form must be signed by the Shareholder or his or her power of attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed by a director, company secretary, sole director and sole company secretary or under the hand of a duly authorized officer or attorney.
8. The proxy form (and any power of attorney under which it is signed) must be received by Link Market Services Limited either by:
 - (a) fax to +61 (2) 9287 0309;
 - (b) by mail in the enclosed self-addressed envelope;
 - (c) by lodgement online via www.linkmarketservices.com.au; or
 - (d) by delivery to Level 12, 680 George Street, Sydney NSW 2000 (subject to public health orders and restrictions),no later than 48 hours before the commencement of the Annual General Meeting, that is by no later than 10am (Brisbane time) on 19 October 2021. Any proxy form received after that time will not be valid for the Annual General Meeting.
9. A member of the Key Management Personnel or their Closely Related Parties must not, whether in person or by proxy, vote in their own right on the adoption of the Remuneration Report in Resolution 1.
10. A person appointed as proxy may vote or abstain from voting as he or she thinks fit except in the following circumstances:
 - (a) the proxy holds a Directed Proxy Form;
 - (b) where the proxy is voting in relation to a Remuneration Resolution and the proxy is either a member of the Key Management Personnel or a Closely Related Party and holds an Undirected Proxy Form; and
 - (c) the proxy is required by law or the Constitution to vote in a certain manner or abstain from voting.

11. Paragraph 10(b) does not apply if the Chairman of the Annual General Meeting is appointed as proxy and his appointment expressly authorises the Chairman to exercise the proxy even if the Resolution is a Remuneration Resolution.
12. The Chairman intends to vote all Undirected Proxy Forms in favour of all Resolutions.
13. In accordance with Article 13.5 of the Constitution, the Chairman intends to call a poll on all Resolutions. The Chairman considers voting by poll to be in the interests of the Shareholders as a whole and ensures the views of as many Shareholders as possible are represented at the Annual General Meeting.
14. Note the following voting exclusions:
 - (a) Resolution 1 - the Company will disregard and not count any votes cast (in any capacity) on Resolution 1 by or on behalf of either or both the following persons:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of a member of the Key Management Personnel.However, the Company will not disregard a vote if the person casting the vote:
 - (iii) does so in relation to a Resolution where they hold a Directed Proxy Form;
 - (iv) is the Chairman of the Annual General Meeting and is expressly authorised to exercise the proxy even though the Resolution is a Remuneration Resolution; or
 - (v) is a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 1. 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
 2. the holder votes on the resolution in accordance with the directions given by beneficiary to the holder to vote in that way; and
 3. the vote is not cast on behalf of a person described in paragraph 14(a) or 14(b) above;
 - (b) Resolution 3 - in accordance with Listing Rule 14.11.1, the Company will disregard and not count any votes cast (in any capacity) on Resolution 3 by a person or an associate of a person who is expected to participate in the proposed issue of Shares or who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of Shares, if the resolution is passed. At the date of the Notice, the proposed allottees of the Shares are not known or identified
However, the Company will not disregard a vote if:
 - (i) the person casting the vote:
 1. does so in relation to a Resolution where they hold a Directed Proxy Form;
 2. is the Chairman of the Annual General Meeting and is expressly authorised to exercise the proxy; or
 3. is 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 the directions given by beneficiary to the holder to vote in that way; and
 - (ii) the vote is not cast on behalf of a person described in paragraph 14(b) above; and
 - (c) Resolution 4— In accordance with Listing Rule 14.11.1, the Company will disregard

and not count any votes cast (in any capacity) on Resolution 4 by or on behalf of either or both of:

- (i) a person eligible to participate in the PRP; or
- (ii) an associate of any person eligible to participate in the PRP.

However, the Company will not disregard a vote if:

- (iii) the person casting the vote:
 - 1. does so in relation to a Resolution where they hold a Directed Proxy Form;
 - 2. is the Chairman of the Annual General Meeting and is expressly authorised to exercise the proxy even though the Resolution is a Remuneration Resolution; or
 - 3. is 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 the directions given by beneficiary to the holder to vote in that way; and
- (iv) the vote is not cast on behalf of a person described in paragraph 14(c)(i) or 14(c)(ii) above.

- 15. In accordance with Article 12.10 of the Constitution, and to facilitate Shareholder participation, the Chairman has determined that Shareholders will have the opportunity to participate in the Annual General Meeting through the Company's online platform at <https://agmlive.link/CLTAGM21>. If Shareholders choose to participate in the Annual General Meeting in this way, Shareholders will be able to view the Annual General Meeting live, lodge a direct vote in real time and ask questions online.
- 16. Shareholders participating in the Annual General Meeting using the online platform provided by the Company's share registry, Link Market Services Limited will be able to vote between the commencement of the Annual General Meeting (10am (Brisbane time) on Thursday, 21 October 2021) and the closure of voting as announced by the Chairman during the Annual General Meeting.
- 17. More information regarding online participation at the Annual General Meeting (including how to vote and ask questions online during the Annual General Meeting) is available in the Online Platform Guide. The Online Platform Guide will be lodged with the ASX and will also be available on the Company's website.
- 18. The virtual meeting is viewable from desktops and laptops. To participate and vote online Shareholders will need a shareholder number and postcode. Proxy holders will need their proxy number which will be provided by Link Market Services Limited via email prior to the Annual General Meeting and following lodgement of the proxy appointment. Shareholders should ensure that their internet browser is compatible, by following the instructions in the Online Platform Guide. The Company recommends confirming this prior to determining whether to participate in the Annual General Meeting using the online platform provided by the Company's share registry, Link Market Services Limited. It is also recommended that Shareholders who elect to participate in the Annual General Meeting through the platform log in the online portal at least 15 minutes prior to the scheduled start time for the Annual General Meeting.
- 19. The following definitions apply in this Notice and the Explanatory Memorandum that accompanies it:

Annual Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Annual General Meeting means the Annual General Meeting of the Company.

Annual Report means the Directors' Report, the Annual Financial Report and the Auditor's Report on the Company for the financial year ended 30 June 2021.

ASX means ASX Limited ACN 125 140 105.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Closely Related Party means the closely related parties of Key Management Personnel as defined in the Corporations Act, and include certain members of their family, dependents and companies they Control (as defined in section 9 of the Corporations Act).

Company or **CLT** means Cellnet Group Limited ACN 010 721 749.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directed Proxy Form means a proxy form which specifies how a proxy is to vote.

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Eligible Employees means employees of the Company, or subsidiaries of the Company, entitled to participate in the PRP.

Explanatory Memorandum means the explanatory memorandum that accompanies this Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel has the meaning given to that term in the accounting standards and broadly includes the Directors (whether executive or otherwise) and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Key Management Personnel for the financial year ended 30 June 2021.

Listing Rules means the listing rules of the ASX.

Notice means this notice of the Annual General Meeting.

Performance Rights Plan or **PRP** means the Company's performance rights plan the subject of Resolution 4.

Proposed Constitution means the constitution of the Company to be adopted in accordance with Resolution 5.

Regulations means the *Corporations Regulations 2001* (Cth).

Remuneration Report means the remuneration report in respect of the Company contained in the Directors' Report.

Remuneration Resolution means a Resolution connected directly or indirectly with the remuneration of a member of the Key Management Personnel and includes Resolution 1.

Resolution means a resolution contained in this Notice.

Shareholder means a registered holder of Shares.

Shares means fully paid ordinary shares in the Company.

Trading Day means a day determined by ASX to be a trading day and notified to market participants.

Undirected Proxy Form means a proxy form which does not specify how the proxy is to vote.

VWAP means volume weighted average price as the term is defined in the Listing Rules.

Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of resolutions to be put to the Annual General Meeting to be held at 10am on Thursday, 21 October 2021.

These explanatory notes should be read with, and form part of, the accompanying the Notice.

1. Financial statements and reports

The Corporations Act requires the Financial Report, Directors' Report and Audit Report to be laid before the Annual General Meeting. In addition, the Constitution provides for such reports to be received and considered at the Annual General Meeting.

Apart from the matters involving remuneration, which are required to be voted upon, neither the Corporations Act nor the Constitution requires Shareholders to vote on such reports.

However, Shareholders will be given ample opportunity to ask questions or make comments about these reports and the management at the Annual General Meeting.

2. Resolution 1 - Adoption of the Remuneration Report

(a) Introduction

The Remuneration Report for the financial year ended 30 June 2021 is set out in the Annual Report.

In accordance with section 250R(2) of the Corporations Act, Shareholders are asked to adopt the Remuneration Report at the Annual General Meeting.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting. The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Under the Corporations Act, if 25% or more of the votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a 'spill' resolution) that another meeting of the Shareholders be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

(b) Voting Exclusion Statement

A voting exclusion applies to Key Management Personnel and their Closely Related Parties in certain circumstances as discussed in the notes to Resolution 1.

(c) Directors' Recommendation

As the Directors have a personal interest in the proposed Resolution 1, they make no recommendations as to how Shareholders should vote on Resolution 1.

3. Resolution 2 - Re-election of Mr. Kevin Gilmore

(a) Introduction

Clause 17.1 of the Constitution requires that at each Annual General Meeting, one-third of the Directors (other than the Managing Director) must retire from office.

Mr. Kevin Gilmore was appointed to the Board as a Director on 17 January 2017 to fill a casual vacancy and was last re-elected by Shareholders on 10 October 2017.

Mr. Gilmore is the Managing Partner at Pegu Partners, a capital and strategic advisory firm. He has also held management positions with many multinational corporations such as General Electric, Shell Petroleum, Philips Electronics and Belkin where he has gained extensive experience in strategy, business development and marketing. Mr. Gilmore is currently a member of the Remuneration and Nominations Committee.

(b) Directors' Recommendation

The Directors, with Mr. Gilmore abstaining, unanimously recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3 - Approval of Additional Capacity to issue Shares

(a) Introduction

Listing Rule 7.1A entitles eligible entities to issue equity securities of up to 10% of the Company's existing issued capital, subject to shareholder approval. In this regard, approval is sought from the Shareholders for the issue of Shares by the Company pursuant to Listing Rule 7.1A, such that the Company will have the benefit of the additional capacity to issue Shares as contemplated by Listing Rule 7.1A.

Resolution 3 is a special resolution and therefore must be approved by at least 75% of the total number of votes cast by Shareholders entitled to vote on the resolution (in person, by proxy, by attorney or, in the case of a body corporate, by a corporate representative).

An eligible entity for the purposes of Listing Rule 7.1A is an entity that, at the time of its annual general meeting, is not included in the S&P/ASX300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

If Resolution 3 is passed, the maximum number of Shares that the Company will be entitled to issue is the number calculated in accordance with the following formula (as set out in Listing Rule 7.1A.2):

$$(A \times D) - E$$

where:

A = the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement,

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2,
- plus the number of partly paid ordinary securities that became fully paid in the 12 months,
- plus the number of fully paid ordinary securities issued in the 12 months with the approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4,
- less the number of fully paid ordinary securities cancelled in the 12 months

D = 10%

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

For example, on 1 September 2021, the Company had 234,578,629 Shares on issue. The Company will, for the period to 31 August 2022, be able to issue up to 23,457,863 Shares.

The ability to issue Shares under Listing Rule 7.1A is in addition to the Company's ability to issue Shares of up to 15% of its existing issued capital over a 12 month period without Shareholder approval permitted by Listing Rule 7.1.

(b) Additional information required by Listing Rule 7.3A

The following information is provided in accordance with Listing Rule 7.3A with respect to Resolution 3:

- (a) **Minimum Price:** The issue price of each Share will be no less than 75% of the VWAP over the 15 Trading Days on which trades in that class were recorded immediately before:
- i. the date on which the price at which the Shares are to be issued is agreed; or
 - ii. if the Shares are not issued within 10 Trading Days of the date on which the price is agreed, the date on which the Shares are issued.
- (b) **Dilution:** If Resolution 3 is passed, and the Company issues Shares pursuant to the approval under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted with examples of such dilution being set out in the table below. There is a risk that:
- i. the market price for the Shares may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and

- ii. the Shares may be issued at a price that is at a discount to the market price for those Shares on the issue date,

which may have an effect on the amount of funds raised by the issue of the Shares.

As required by Listing Rule 7.3A.2, the table below shows the potential dilution of existing Shareholders on the basis of three different assumed issue prices and values for the variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 (as set out above). The following assumptions are made in the table:

- i. the issue price is the closing price of the Shares on 6 September 2021;
- ii. the number of Shares on issue is at 6 September 2021. This could increase as a result of the issue of Shares either with or without Shareholder approval; and
- iii. the Company issues the maximum number of Shares as are permitted under Resolution 3.

Variable "A" in Listing Rule 7.1A.2 (Number of Shares on issue)	50% decrease in issue price \$0.0275		Issue price \$0.055		100% increase in issue price \$0.11	
	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised
234,578,629 (Current)	23,457,863	\$645,091.23	23,457,863	\$1,290,182.46	23,457,863	\$2,580,364.92
351,867,944 (50% increase in Current Variable A)	35,186,794	\$967,636.84	35,186,794	\$1,935,273.69	35,186,794	\$3,870,547.38
469,157,258 (100% increase in Current Variable A)	46,915,726	\$1,290,182.46	46,915,726	\$2,580,364.92	46,915,726	\$5,160,729.84

- (c) **Issue Date:** Shareholder approval obtained under Listing Rule 7.1A is valid for a period commencing on the date of the Annual General Meeting and expiring on the first to occur of the following:
 - i. the date that is 12 months after the date of the Annual General Meeting, being 22 October 2021;
 - ii. the time and date of the Company's next annual general meeting; and
 - iii. the time and date of approval by the Shareholders of a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal by the Company of its main undertaking).
- (d) **Purpose:** The purpose for which Shares may be issued pursuant to the approval under Listing Rule 7.1A may be to raise funds for the Company. Funds raised from the issue, if undertaken, would be used for general working capital requirements and, potentially, acquisitions and expenses associated with such acquisitions.
- (e) **Allocation Policy:** The allottees may comprise existing Shareholders or new investors or a combination of both. The allottees will be determined by the Board, taking into account:
 - i. alternative options for raising funds if applicable. For example, the Board will consider whether it is appropriate to raise required funds by way of an entitlement issue;
 - ii. the purpose of the issue;
 - iii. the impact of the issue on the control of the Company;
 - iv. market conditions and the financial position of the Company; and
 - v. if applicable, advice from external advisors.

The Company does not yet know the names of the allottees or, other than described above, the basis on which they will be identified or selected. The Company notes that:

- i. the Board has formed no specific intentions to offer any placement to any existing Shareholders, class of Shareholder or new investors;
 - ii. the Board will, prior to make any placement, consider whether the raising of funds could be achieved by means of an entitlement issue to existing Shareholders; and
 - iii. if the Company issues any securities under Listing Rule 7.1A, the Company will state in its announcement (via an Appendix 3B for a proposed issue of securities or an Appendix 2A to apply for quotation of securities) that the securities are being issued under Listing Rule 7.1A.
- (f) **Previous approval under Listing Rule 7.1A:** The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 22 October 2020.
- (g) **Issue of equity securities in the 12 months preceding the Annual General Meeting:** For the purposes of Listing Rule 7.3A.6(a), the table below shows the total number of equity securities issued in the 12 months preceding the date of the Annual General Meeting, being the 12 months prior to 21 October 2021, and the percentage those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities issued in the prior 12 month period	2,000,000
Percentage previous issues represent of total diluted number of 231,601,856 equity securities on issue at commencement of 12 month period	0.86%

- i. For the purposes of Listing Rule 7.3A.6(b), set out below are details of each issue of equity securities that has taken place in the 12 month period preceding the date of the Annual General Meeting (being the 12 months to 21 October 2021):

Date of issue	Type of equity securities	Number of equity securities	Details (including premium/(discount) to closing market price of Shares on date of issue)	%	Persons to whom equity securities were issued
1 December 2020	Ordinary fully paid shares	1,000,000	Shares issued due to vesting conditions being met for options which were approved at the annual general meeting held on 22 October 2020.		Mr. Tony Pearson
4 December 2020	Ordinary fully paid shares	1,000,000	Shares issued due to vesting conditions being met for options which were approved at the annual general meeting held on 22 October 2020.		Mr. Michael Wendt
18 January 2021	Ordinary fully paid shares	2,000,000	Shares issued due to vesting conditions being met for options which were approved at the annual general meeting held on 22 October 2020.		Mr. Tony Pearson
18 February 2021	Ordinary fully paid shares	2,000,000	Shares issued due to vesting conditions being met for options which were approved at the annual general meeting held on 22 October 2020.		Mr. Michael Wendt
24 February 2021	Ordinary fully paid shares	2,000,000	Shares issued due to vesting conditions being met for options which were approved at the annual general meeting held on 22 October 2020.		Mr. Tony Pearson

Date of issue	Type of equity securities	Number of equity securities	Details (including premium/(discount) to closing market price of Shares on date of issue)	% to closing market price of Shares on date of issue	Persons to whom equity securities were issued
19 March 2021	Ordinary fully paid shares	2,000,000	Shares issued due to vesting conditions being met for options which were approved at the annual general meeting held on 22 October 2020.		Mr. Michael Wendt

ii. The total cash consideration raised from the equity issues described above was \$300,000 for the Shares issued to Messrs Pearson and Wendt. As at the date of the Notice, none of that cash has been spent.

(c) Voting Exclusion Statement

A voting exclusion statement applies to Resolution 3, as discussed in the notes in paragraph 14 to the Notice.

(d) Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

5. Resolution 4 - Approval of Performance Rights Plan and subsequent issues of securities under the Performance Rights Plan

(a) Introduction

The purpose of the PRP is to provide Eligible Employees with an opportunity to acquire rights to receive Shares. By doing so, the PRP seeks to provide Eligible Employees with an opportunity to share in the growth in value of the Company and to encourage them to improve the longer term performance of the Company and its returns to Shareholders. The PRP is also intended to assist the Company to attract and retain skilled and experienced senior employees and provide them with an incentive to have a greater involvement with and focus on the longer term goals of the Company.

(b) Listing Rule 7.1

In general terms, Listing Rule 7.1 imposes a 15% cap on the number of equity securities that can be issued by the Company, without shareholder approval, in any 12 month period (**Placement Capacity**). However, the Company is permitted to issue equity securities in excess of the Placement Capacity if those equity securities are issued in reliance on an exception to Listing Rule 7.1 or the issue is approved by Shareholders.

(c) Listing Rule 7.2

Listing Rule 7.2 (Exception 13) contains an exception to Listing Rule 7.1 so that performance rights issued under the PRP that have either been:

- (a) previously approved by Shareholders; or
- (b) disclosed in the Company's prospectus,

are not required to be counted in calculating the Placement Capacity for a three year period.

The PRP was last approved by Shareholders at the annual general meeting held on 22 October 2020.

The Directors consider it desirable to seek Shareholder approval for the PRP:

- (a) so that performance rights granted (and the Shares issued on exercise of the performance rights) under the PRP can continue to be issued under an exception to Listing Rule 7.1 for three years after the date of the Annual General Meeting and will not be counted as reducing the number of securities which the Company can issue under its Placement Capacity; and
- (b) within three years after date upon which the PRP was last approved by Shareholders to ensure that Shareholders know the maximum numbers of performance rights that may be issued under the PRP at any one time, which information is set out at the end of this paragraph.

Accordingly, Shareholders are asked to approve the adoption of the PRP by the Company and the subsequent issue of securities under the PRP for the purposes of Listing Rule 7.2 (Exception 13) and for all other purposes.

Information required by Listing Rule 7.2 (Exception 13) and paragraph 4.13 of ASX Guidance Note 21	
Summary of the PRP	<p>(a) The PRP is open to certain senior management of the Company, or of subsidiaries of the Company, and the Directors, as determined by the Board.</p> <p>(b) The Board may invite eligible persons to participate in the PRP. Participation is voluntary. The Board may determine the number of performance rights to be issued under the PRP (Rights) and other terms of issue of the PRP.</p> <p>(c) All rights are granted at nil issue price and nil exercise price unless otherwise determined by the Board (Plan Rules).</p> <p>(d) holders of Rights are not permitted to participate in new issues of securities by the Company but adjustments may be made to the number of Shares over which the Rights are granted or the exercise price to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the Plan Rules and the Listing Rules</p>
Equity securities issued under the PRP since it was last approved on 22 October 2020	<p>(a) On 1 December 2020, 1,000,000 Shares were issued to Mr Tony Pearson under the PRP as disclosed in paragraph 4(g) of this Explanatory Statement.</p> <p>(b) On 4 December 2020, 1,000,000 Shares were issued to Mr Michael Wendt under the PRP as disclosed in paragraph 4(g) of this Explanatory Statement.</p> <p>(c) On 18 January 2021, 2,000,000 Shares were issued to Mr Tony Pearson under the PRP as disclosed in paragraph 4(g) of this Explanatory Statement.</p> <p>(d) On 18 February 2021, 2,000,000 Shares were issued to Mr Michael Wendt under the PRP as disclosed in paragraph 4(g) of this Explanatory Statement.</p> <p>(e) On 24 February 2021, 2,000,000 Shares were issued to Mr Tony Pearson under the PRP as disclosed in paragraph 4(g) of this Explanatory Statement.</p> <p>(f) On 19 March 2021, 2,000,000 Shares were issued to Mr Michael Wendt under the PRP as disclosed in paragraph 4(g) of this Explanatory Statement.</p>
Maximum number of equity securities to be issued under the PRP following approval	Nil. At the date of this Notice, the Board has not resolved to make any further issues of equity securities under the PRP.
Maximum number of performance rights that may be issued under the PRP	<p>(a) The Plan Rules provide that the maximum number of performance rights that may be issued under the PRP, and any other employee incentive scheme, cannot exceed 8% of the total number of Shares as at the time of any offer of any performance rights.</p> <p>(b) As at the date of the Notice, based on the total number of Shares on issue, the maximum number of performance rights that could be offered by the Company is 18,766,290 performance rights. Performance rights issued under the PRP beyond the maximum number will be counted as reducing the Company's existing Placement Capacity.</p>

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

(d) Listing Rule 10.14

Listing Rule 10.14 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a Director under an employee incentive scheme, such as the PRP. If the Company proposes to issue securities to a Director under the PRP, the Company will obtain Shareholder approval and the notice of the meeting at which approval is sought will contain the information required by Listing Rule 10.15.

(e) Directors' Recommendation

Each of the Directors recommends that Shareholders vote in favour of Resolution 4.

6. Resolution 5 – Replacement of the Constitution

(a) Background

The Company is governed by the Constitution. Under section 136(2) of the Corporations Act, a company can modify its constitution or a provision of its constitution by a special resolution. Accordingly, the Company seeks approval to replace its Constitution by a special resolution to reflect current provisions of the Corporations Act and the Listing Rules.

Resolution 5 is a special resolution and therefore must be approved by at least 75% of the total number of votes cast by Shareholders entitled to vote on the resolution (in person, by proxy, by attorney or, in the case of a body corporate, by a corporate representative).

The Directors believe the Constitution was adopted in 1999. Save for the minor amendments that were approved by Shareholders at the Company's annual general meeting held on 22 October 2020, the Directors are not aware of any material amendments to the Constitution since 1999.

The Directors believe that it is preferable to replace the existing Constitution with the Proposed Constitution rather than to amend many specific provisions. The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- i. updating references to bodies or legislation which have been renamed; and
- ii. expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 7 3853 5510).

Shareholders are invited to contact the Company if they have any queries or concerns.

(b) Summary of material proposed changes

i. Restricted Securities (Clause 9)

The Proposed Constitution complies with Listing Rule 15.12 which was changed in December 2019. ASX now requires certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A to the Listing Rules. However, for less significant holdings (such as non-related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of a new Appendix 9C to the Listing Rules advising them of the restriction rather than requiring signed restriction agreements.

ii. Non-Marketable Parcels (Clause 10)

Clause 10 of the Proposed Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 10 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

iii. Proportional takeover provisions (Clause 11)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision where a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act	
Effect of proposed proportional takeover provisions	Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.
Reasons for proportional takeover provisions	A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.
Knowledge of any acquisition proposals	As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.
Potential advantages and disadvantages of proportional takeover provisions	The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.
Advantages	The potential advantages of the proportional takeover provisions for Shareholders include: <ul style="list-style-type: none"> (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed; (b) assisting in preventing Shareholders from being locked in as a minority; (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.
Disadvantages	The potential disadvantages of the proportional takeover provisions for Shareholders include: <ul style="list-style-type: none"> (a) proportional takeover bids may be discouraged; (b) lost opportunity to sell a portion of their Shares at a premium; and (c) the likelihood of a proportional takeover bid succeeding may be reduced.

iv. Direct Voting (clause 16.14)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll.

Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

(c) Directors' Recommendation

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

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Cellnet Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Cellnet Group Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (Brisbane time) on Thursday, 21 October 2021 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/CLTAGM21> (refer to details in the Virtual Meeting Online Guide).

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Replacement of the Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr. Kevin Gilmore as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Approval of Additional Capacity to Issue Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of Performance Rights Plan and subsequent issues of securities under the Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

CLT PRX2101N



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name and email address of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Brisbane time) on Tuesday, 19 October 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Cellnet Group Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions