
GRATIFII LIMITED

ACN 125 688 940

NOTICE OF ANNUAL GENERAL MEETING

TIME: 11:00am (AEDT)

DATE: Monday, 8 November 2021

The meeting will be held virtually via an online platform

Further information regarding participation in the meeting is set out on pages 1 to 4 of this Notice.

This Notice of Meeting should be read in its entirety. Shareholders in doubt as to how they should vote should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the company secretary on 1300 288 664.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (AEDT) on Monday, 8 November 2021 as a virtual meeting.

If you wish to virtually attend the Meeting (which will be broadcast as a live webinar), please **pre-register** in advance for the virtual meeting here:

https://us02web.zoom.us/webinar/register/WN_BKVbikGZR5ezSohc0aMqSA

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the Meeting.

Shareholders will be able to vote and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to David Hwang, Company Secretary at david.hwang@automicgroup.com.au at least 48 hours before the Meeting.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

YOUR VOTE IS IMPORTANT

The business of the Meeting affects your shareholding and your vote is important.

VOTING VIRTUALLY ON THE DAY OF THE MEETING

Shareholders who wish to vote virtually on the day of the Meeting will need to login to the Automic website (<https://investor.automic.com.au/#/home>) with their *username* and *password*.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting.

How do I create an account with Automic?

To create an account with Automic, please go to the Automic website (<https://investor.automic.com.au/#/home>), click on 'register' and follow the steps. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

I have an account with Automic, what are the next steps?

Shareholders who have an existing account with Automic (Note: with a username and password) are advised to take the following steps to attend and vote virtually on the day of the Meeting:

1. Login to the Automic website (<https://investor.automic.com.au/#/home>) using your *username* and *password*.
2. **(Registration on the day)** If registration for the virtual meeting is open, click on 'Meeting open for registration' and follow the steps.
3. **(Live voting on the day)** If live voting for the virtual meeting is open, click on 'Meeting open for voting' and follow the steps.

For further information on the live voting process, please see the Registration and Voting Guide at <https://www.automicgroup.com.au/virtual-agms/>.

VOTING BY PROXY

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

A proxy may be an individual or a body corporate. If a body corporate is appointed, the Proxy Form must indicate the full name of the body corporate and the full name and title of the individual representative of the body corporate for the Meeting.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Broadly, these provisions provide that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's Shareholders; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the Meeting.

Proxy Voting by the Chair

The Corporations Act imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (and/or voting undirected proxies) on, amongst other things, remuneration matters.

However, the Chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the Shareholder who has lodged the proxy has given an express voting direction to the Chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a Proxy Form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on the Resolution. In accordance with this express authority provided by you, the Chair will vote in favour of the Resolution. If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

Shareholders who wish to participate and vote at the virtual meeting are strongly encouraged to complete and submit their proxies as early as possible.

To vote by proxy:

Online	<p>Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the below instructions:</p> <p>Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.</p> <p>For further information on the online proxy lodgment process please see the Online Proxy Lodgment Guide at https://www.automicgroup.com.au/virtual-agms/</p>
By Post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy Form must be received not later than 48 hours before the commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the Directors' Declaration, Directors' Report, Remuneration Report and Auditor's Report.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement:

In accordance with the Corporations Act, the Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel named in the Remuneration Report; or
- (b) their closely related parties.

However, a person (the **voter**) described above may cast a vote on this Resolution 1 as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (c) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key management Personnel.

3. RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR BRYAN ZEKULICH

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

"That, for the purposes of clause 13.2 of the Constitution and for all other purposes, Mr Zekulich, a Director of the Company who retires by rotation in accordance with the Company's Constitution, and being eligible offers himself for re-election, be re-elected as a Director of the Company."

4. RESOLUTION 3: RE-ELECTION OF DIRECTOR – MR STEPHEN BORNESS

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

“That, for the purposes of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Borness, a Director of the Company who retires in accordance with the Company's Constitution, and being eligible offers himself for re-election, be re-elected as a Director of the Company.”

5. RESOLUTION 4: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA TO REPAY THE FIRST BOMBORA LOAN

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, 1,000,000 Convertible Notes at a subscription price of \$1.00 each, be issued to Bombora in satisfaction of the Company's obligations to repay the First Bombora Loan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 4 by or on behalf of Bombora or any person who will obtain a material benefit as a result of the proposed issue of Securities (except a benefit solely by reason of being a Shareholder) and any of their associates.

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

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

6. RESOLUTION 5: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA TO REPAY THE SECOND BOMBORA LOAN

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, 500,000 Convertible Notes at a subscription price of \$1.00 each, be issued to Bombora in satisfaction of the Company's obligations to repay the Second Bombora Loan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of Bombora or any person who will obtain a material benefit as a result of the proposed issue of Securities (except a benefit solely by reason of being a Shareholder) and any of their associates.

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

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

7. RESOLUTION 6: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO THE FIRST SOPHISTICATED LENDERS TO REPAY THE FIRST SOPHISTICATED LENDERS LOAN

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, 1,500,000 Convertible Notes at a subscription price of \$1.00 each, be issued to the First Sophisticated Lenders in satisfaction of the Company's obligations to repay the First Sophisticated Lenders Loans on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 6 by or on behalf of the Sophisticated Lenders or any person who will obtain a material benefit as a result of the proposed issue of Securities (except a benefit solely by reason of being a Shareholder) and any of their associates.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;

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

8. RESOLUTION 7: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO THE SECOND SOPHISTICATED LENDERS TO REPAY THE SECOND SOPHISTICATED LENDERS LOAN

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, 1,000,000 Convertible Notes at a subscription price of \$1.00 each, be issued to the Second Sophisticated Lenders in satisfaction of the Company's obligations to repay the Second Sophisticated Lenders Loans on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of the Sophisticated Lenders or any person who will obtain a material benefit as a result of the proposed issue of Securities (except a benefit solely by reason of being a Shareholder) and any of their associates.

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

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

9. RESOLUTION 8: PROPOSED ISSUE OF PLAN OPTIONS TO MR IAIN DUNSTAN

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 900,000 Plan Options to Mr Iain Dunstan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Dunstan) who is eligible to participate in the employee incentive scheme and any associate of those persons.

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

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

10. RESOLUTION 9: PROPOSED ISSUE OF PLAN OPTIONS TO MR STEPHEN BORNES

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 1,500,000 Plan Options to Mr Stephen Bornes on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution 9 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Bornes) who is eligible to participate in the employee incentive scheme and any associate of those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;

- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
 - (c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.
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DATED: 7 OCTOBER 2021

BY ORDER OF THE BOARD

DAVID HWANG

COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the Directors' Declaration, Directors' Report, Remuneration Report and Auditor's Report. There is no requirement that Shareholders formally approve the reports comprising the annual financial report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report to Shareholders is available on its website www.gratiffi.com.

The Chair will allow a reasonable opportunity at the Meeting for Shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor questions about the Auditor's Report, the conduct of its audit of the Company's annual financial report for the year ended 30 June 2021, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the Company's auditor in relation to the conduct of the audit.

2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

2.1 General

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

The Remuneration Report sets out the company's remuneration arrangements for the directors and senior management of the company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the year ended 30 June 2021.

The Chair of the meeting must allow a reasonable opportunity for its Shareholders to ask questions about or make comments on the Remuneration Report at the Meeting.

2.2 Voting consequences

Under the Corporations Act, a company is required to put to its Shareholders a resolution proposing the calling of another meeting of Shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the Company must convene a Shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All directors of a company who were in office when the directors' report (as included in that company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of a company is approved will be the directors of that company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the 2020 remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

However, in the event that 25% or more of votes that are cast are against adoption of the 2021 Remuneration Report at the Meeting, Shareholders should be aware that if a 'no' vote of 25% or more for the same resolution at the 2022 annual general meeting, the consequence is that it may result in the re-election of the Board.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy -

You ***must*** direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member) -

You ***may***, but ***do not*** need to direct your proxy how to vote on this Resolution.

If you appoint any other person as your proxy -

You ***may***, but ***do not*** need to direct your proxy how to vote on this Resolution.

3. RESOLUTION 2: RE-ELECTION OF DIRECTOR – MR BRYAN ZEKULICH

3.1 General

Clause 13.2 of the Constitution requires that at the Company's annual general meeting every year, one-third of the Directors for the time being (except for the Managing Director), or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her

appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

The Company currently has three Directors, excluding the Managing Director. Accordingly, a Director must retire in accordance with clause 13.2 of the Constitution. A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

In accordance with clause 13.2 of the Constitution, Bryan Zekulich will retire at the end of the Annual General Meeting and will seek re-election pursuant to Resolution 2 of the Notice of Annual General Meeting.

3.2 Details on this candidate

Mr Zekulich was the Managing Partner of Ernst & Young's Private Equity Sector for over 15 years. Bryan is also a board member, the Treasurer and the Company Secretary of the Australian Investment Council (formerly the Australian Private Equity and Venture Capital Association). Bryan is currently the portfolio manager and partner of Bombora Investment Management. He has significant experience in the Australian M&A market including in respect of mergers & acquisitions, divestments, strategic finance, capital raising and advising on ASX listing requirements. He has a Bachelor of Commerce from the University of Western Australia. He is also a Fellow of the Institute of Chartered Accountants of Australia and a fellow of the Financial Services Institute of Australia. He is also a Director of BikeExchange Limited (ASX:BEX)

3.3 Recommendation

The Directors unanimously support the re-election of Bryan Zekulich as a Director of the Company (with Mr Zekulich abstaining).

4. RESOLUTION 3: RE-ELECTION OF DIRECTOR – MR STEPHEN BORNESS

4.1 General

Clause 13.4 of the Constitution and ASX Listing Rule 14.4 requires that a Director who has been appointed by the Board to fill a casual vacancy must not hold office (without re-election) past the next annual general meeting of the Company.

Mr Borness was appointed by the Board as a Director of the Company on 6 May 2021.

Mr Borness has more than 30 years' experience in leading and developing organisation's that have implemented for others, digitisation and business improvement technologies. In 1999, he launched and developed a company which used technology and analytics to revolutionise customer relationship management in Australia. Mr Borness is also a non-executive director of publicly listed Beamtree Holdings Limited (ASX:BMT). Prior to his work in the technology sector Stephen worked as an investment banker across the Australian, European and U.S. markets. Mr Borness is a Fellow of the Australian Institute of Company Directors and holds a Bachelor of Business (Accounting), MBA and CPA.

4.2 Board recommendation

The Directors unanimously support the re-election of Mr Borness as a Director of the Company (with Mr Borness abstaining).

5. BACKGROUND TO RESOLUTIONS 4 TO 7

Since the Notice of Meeting (dated 9 April 2021) for the Company's last General Meeting, the Company has received loan advances from various parties as follows:

1. On 6th May 2021 the Company borrowed \$1 million under a loan agreement with Bombora (**First Bombora Loan Agreement**)
2. On and around 6th May 2021 the Company borrowed \$1,500,000 under loan agreements with the First Sophisticated Lenders (**First Sophisticated Lenders Loan Agreements**)
3. On 17th September 2021 the Company borrowed \$500,000 under a loan agreement with Bombora (**Second Bombora Loan Agreement**)
4. On and around 17th September 2021 the Company borrowed \$1,000,000 under loan agreements with the Second Sophisticated Lenders (**Second Sophisticated Lenders Loan Agreements**)

The Company used these borrowed funds to improve its operations and cover the cash component of the purchase price for the acquisition of the Neat Ideas business in May 2021.

Pursuant to Resolutions 4 to 7 below, the Company proposes to repay all these Loan by issuing Convertible Notes to the lenders at a subscription price of \$1.00 per Convertible Note.

The key terms of the Convertible Note Agreements which will apply to all Convertible Notes issued pursuant to Resolutions 4 to 7 below are set out in Annexure 3.

6. RESOLUTION 4: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA TO REPAY THE FIRST BOMBORA LOAN

6.1 First Bombora Loan Agreement

The key terms of the First Bombora Loan Agreement are set out in Annexure 2

6.2 Bombora Convertible Note Agreement

The Company proposes to repay the First Bombora Loan by issuing 1,000,000 Convertible Notes to Bombora at a subscription price of \$1.00 per Convertible Note (**Bombora Convertible Note Agreement**).

The key terms of the Bombora Convertible Note Agreement are set out in Annexure 3.

6.3 Approval for the purposes of ASX Listing Rule 10.11 is sought

ASX Listing Rule 10.11.5 requires a listed entity to obtain Shareholder approval by ordinary resolution prior to the issue of, or agreement to issue, Securities to a person whose relationship to the entity is such that, in ASX's opinion, the transaction should be approved by shareholders. ASX has informed the Company that Bombora is a party to which Listing Rule 10.11.5 applies.

As announced on 26 November 2020, the Company has provided an undertaking to the ASX that it will not issue any Equity Securities without Shareholder approval until 13 December 2021, unless the issue of Equity Securities falls within an exception set out in ASX Listing Rule 7.2.

Exception 14 to ASX Listing Rule 7.2 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

Accordingly, Shareholder approval is sought under Listing Rule 10.11 (but not 7.1) to approve the issue of the abovementioned Convertible Notes.

The effect of such approval is that the Company will be entitled to issue the Convertible Notes to Bombora. This will allow the Company to repay the First Bombora Loan through the issue of Convertible Notes. To understand the dilutive effect of passing this Resolution, please see Annexure 6.

Shares issued on the conversion of the Convertible Notes will fall within ASX Listing Rule 7.2 exception 9 and will not require further Shareholder approval.

If this Resolution is not passed, the Company will not be able to issue Convertible Notes in satisfaction of its obligation to repay the First Bombora Loan. As a result, the Company would be obliged to repay the First Bombora Loan from its cash reserves or otherwise raise additional equity capital (subject to Shareholder approval) to fund the repayment of the First Bombora Loan in accordance with its terms.

6.4 Required information

Pursuant to ASX Listing Rule 10.13 the following information is provided.

Person(s) to whom the Securities were issued	Bombora.
Number and class of Securities	1,000,000 Convertible Notes.
Issue date of Securities	The Convertible Notes will be issued within one month after the date of this Meeting.
Issue price of Securities	\$1.00 per Convertible Note.
Purpose of issue and use of funds	No funds will be received upon issuing the Convertible Notes, rather the Convertible Note will be issued to repay the First Bombora Loan without drawing down on the Company's cash reserves.
Terms of Securities	Upon conversion of the Convertible Notes into Shares, those Shares will rank

	equally in all respects with the existing fully paid ordinary Shares. Please see Annexure 3.
Summary of material terms of agreement	Please see Annexure 3

The voting exclusion statement for the resolution is included in the Notice.

6.5 Board recommendation

The Board recommends, with Mr Zekulich and Mr Hill abstaining, that Shareholders vote in favour of Resolution 4.

7. RESOLUTION 5: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA TO REPAY THE SECOND BOMBORA LOAN

7.1 Second Bombora Loan Agreement

The key terms of the Second Bombora Loan Agreement are set out in Annexure 2

7.2 Bombora Convertible Note Agreement

The Company proposes to repay the Second Bombora Loan by issuing 500,000 Convertible Notes to Bombora at a subscription price of \$1.00 per Convertible Note under the Bombora Convertible Note Agreement.

The key terms of the Bombora Convertible Note Agreement are set out in Annexure 3

7.3 Approval for the purposes of ASX Listing Rule 10.11 is sought

Please refer to paragraph 6.3 above.

The effect of approval under this Resolution 5 is that the Company will be entitled to issue the Convertible Notes to Bombora and raise funds of \$500,000. This will allow the Company to repay the Second Bombora Loan through the issue of Convertible Notes. To understand the dilutive effect of passing this Resolution, please see Annexure 6.

If this Resolution is not passed, the Company will not be able to issue Convertible Notes in satisfaction of its obligation to repay the Second Bombora Loan. As a result, the Company would be obliged to repay the Second Bombora Loan from its cash reserves or otherwise raise additional equity capital (subject to Shareholder approval) to fund the repayment of the Bombora Loan in accordance with its terms.

7.4 Required information

Pursuant to ASX Listing Rule 10.13 the following information is provided.

Person(s) to whom the Securities were issued	Bombora
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Number and class of Securities	500,000 Convertible Notes.
Issue date of Securities	The Convertible Notes will be issued within one month after the date of this Meeting.
Issue price of Securities	\$1.00 per Convertible Note.
Purpose of issue and use of funds	No funds will be received upon issuing the Convertible Notes, rather the Convertible Note will be issued to repay the Second Bombora Loan without drawing down on the Company's cash reserves.
Terms of Securities	Upon conversion of the Convertible Notes into Shares, those Shares will rank equally in all respects with the existing fully paid ordinary Shares. Please see Annexure 3
Summary of material terms of agreement	Please see Annexure 3

The voting exclusion statement for the resolution is included in the Notice.

7.5 Board recommendation

The Board recommends with Mr Zekulich and Mr Hill abstaining, that Shareholders vote in favour of Resolution 5.

8. RESOLUTION 6: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO THE FIRST SOPHISTICATED LENDERS TO REPAY THE FIRST SOPHISTICATED LENDERS LOAN

8.1 First Sophisticated Lenders Loan Agreements

The key terms of the First Sophisticated Lenders Loan Agreements are set out in Annexure 2

No First Sophisticated Lender is a related party, a member of key management personnel, a substantial holder, an adviser to GTI or an associate of any of these.

8.2 Sophisticated Lenders Convertible Note Agreement

The Company proposes to repay the First Sophisticated Lenders Loan by issuing 1,500,000 Convertible Notes to the First Sophisticated Lenders at a subscription price of \$1.00 per Convertible Note (**Sophisticated Lenders Convertible Note Agreement**).

The key terms of the Sophisticated Lenders Convertible Note Agreement are set out in Annexure 3

8.3 Approval for the purposes of ASX Listing Rule 7.1 is sought

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. As announced on 26 November 2020, the Company has provided an undertaking to the ASX that it will not issue any Equity Securities without Shareholder approval until 13 December 2021, unless the issue of Equity Securities falls within an exception set out in ASX Listing Rule 7.2.

The effect of approval under this Resolution 6 is that the Company will be entitled to issue the Convertible Notes to the First Sophisticated Lenders. This will allow the Company to repay the First Sophisticated Lenders Loan through the issue of Convertible Notes. To understand the dilutive effect of passing this Resolution, please see Annexure 6.

If this Resolution is not passed, the Company will not be able to issue Convertible Notes in satisfaction of its obligation to repay the First Sophisticated Lenders Loan. As a result, the Company would be obliged to repay the First Sophisticated Lenders Loan from its cash reserves or otherwise raise additional equity capital (subject to Shareholder approval) to fund the repayment of the First Sophisticated Lenders Loan in accordance with its terms.

8.4 Required information

Pursuant to ASX Listing Rule 7.3 the following information is provided.

Person(s) to whom the Securities were issued	the First Sophisticated Lenders.
Number and class of Securities	1,500,000 Convertible Notes.
Issue date of Securities	The Convertible Notes will be issued within three months after the date of this Meeting.
Issue price of Securities	\$1.00 per Convertible Note.
Purpose of issue and use of funds	No funds will be received upon issuing the Convertible Notes, rather the Convertible Note will be issued to repay the First Sophisticated Loan without drawing down on the Company's cash reserves.
Terms of Securities	Upon conversion of the Convertible Notes into Shares, those Shares will rank equally in all respects with the existing fully paid ordinary Shares. Please see Annexure 3
Summary of material terms of agreement	Please see Annexure 3

The voting exclusion statement for the resolution is included in the Notice.

8.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 6.

9. RESOLUTION 7: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO THE SECOND SOPHISTICATED LENDERS TO REPAY THE SECOND SOPHISTICATED LENDERS LOAN

9.1 Second Sophisticated Lenders Loan Agreements

The key terms of the Second Sophisticated Lenders Loan Agreements are set out in Annexure 2

No Second Sophisticated Lender is a related party, a member of key management personnel, a substantial holder, an adviser to GTI or an associate of any of these.

9.2 Sophisticated Lenders Convertible Note Agreement

The Company proposes to repay the Sophisticated Lenders Loan by issuing 1,000,000 Convertible Notes to the Sophisticated Lenders at a subscription price of \$1.00 per Convertible Note (**Sophisticated Lenders Convertible Note Agreement**).

The key terms of the Sophisticated Lenders Convertible Note Agreement are set out in Annexure 3

9.3 Approval for the purposes of ASX Listing Rule 7.1 is sought

Please refer to paragraph 8.3 above.

The effect of approval under this Resolution 6 is that the Company will be entitled to issue the Convertible Notes to the Second Sophisticated Lenders. This will allow the Company to repay the Second Sophisticated Lenders Loan through the issue of Convertible Notes. To understand the dilutive effect of passing this Resolution, please see Annexure 6.

If this Resolution is not passed, the Company will not be able to issue Convertible Notes in satisfaction of its obligation to repay the Second Sophisticated Lenders Loan. As a result, the Company would be obliged to repay the Second Sophisticated Lenders Loan from its cash reserves or otherwise raise additional equity capital (subject to Shareholder approval) to fund the repayment of the Second Sophisticated Lenders Loan in accordance with its terms.

9.4 Required information

Pursuant to ASX Listing Rule 7.3 the following information is provided.

Person(s) to whom the Securities were issued	Second Sophisticated Lenders.
Number and class of Securities	1,000,000 Convertible Notes.
Issue date of Securities	The Convertible Notes will be issued within three months after the date of this Meeting.

Issue price of Securities	\$1.00 per Convertible Note.
Purpose of issue and use of funds	No funds will be received upon issuing the Convertible Notes, rather the Convertible Note will be issued to repay the Second Sophisticated Lender Loan without drawing down on the Company's cash reserves.
Terms of Securities	Upon conversion of the Convertible Notes into Shares, those Shares will rank equally in all respects with the existing fully paid ordinary Shares. Please see Annexure 3.
Summary of material terms of agreement	Please see Annexure 3.

The voting exclusion statement for the resolution is included in the Notice.

9.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 7.

10. RESOLUTION 8: PROPOSED ISSUE OF PLAN OPTIONS TO MR IAIN DUNSTAN

10.1 Background

The Company's employee incentive scheme was first adopted by Shareholders on 1 May 2017 and renewed for a further 3 years at the Company's general meeting of 27 November 2020 (**Incentive Option Plan** or **IOP**). The IOP was established to help achieve the Company's corporate objectives by attracting and retaining its key staff through incentives.

As a Director and the Executive Chairman, Mr Dunstan is eligible to participate in the IOP. In recognition of Mr Dunstan's performance and to further promote Mr Dunstan's engagement with Gratifii, the Company proposes, subject to obtaining Shareholder approval, to issue 900,000 Plan Options to Mr Dunstan. For the avoidance of doubt, no consideration is payable by Mr Dunstan to receive the Plan Options.

As at the date of this Notice, Mr Dunstan and his Associates hold 11,787,491 Shares, 7,930,911 Options and 10,005,293 Plan Options in the Company.

10.2 Approval for the purposes of ASX Listing Rule 10.14 is sought

ASX Listing Rule 10.14.1 requires a listed entity to obtain Shareholder approval by ordinary resolution prior to the issue of, or agreement to issue, Securities under an employee incentive scheme to a person who is a Related Party. As a Director and the current Executive Chairman of the Company, Mr Dunstan is a Related Party falling within the category set out in ASX Listing Rule 10.14.1.

Accordingly, this Resolution 8 seeks Shareholder approval for the proposed issue of 900,000 Plan Options to Mr Dunstan pursuant to ASX Listing Rule 10.14. To understand

the effect of passing this Resolution, please see Annexure 6. If this Resolution is not passed, no Plan Options will be issued to Mr Dunstan.

Details of any Plan Options will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the IOP after this Resolution 8 is approved and who are not named in this Notice will not participate until approval is obtained under that rule.

10.3 Approval for the purposes of Chapter 2E of the Corporations Act not sought

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

- (a) obtain the approval of the public company's members in the manner set out in sections 221 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

A 'financial benefit' for the purposes of the Corporations Act has a wide meaning and catches the issue of the Plan Options to Mr Dunstan. Consequently, the issue of the Plan Options the subject of this Resolution 8 will, for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to a Related Party of the Company.

The Directors are of the view that the giving of the financial benefit to Mr Dunstan as a Related Party of the Company is reasonable remuneration and falls within the exception in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E is not being sought.

10.4 Shareholder approval under ASX Listing Rule 10.11 not sought

Exception 8 to ASX Listing Rule 10.12 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 10.11. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

10.5 Shareholder approval under ASX Listing Rule 7.1 not sought

Exception 14 to ASX Listing Rule 7.2 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

10.6 Required Information

Pursuant to ASX Listing Rule 10.15 the following information is provided.

Person to whom the Securities are to be issued, number and class	Mr Dunstan is to be issued 900,000 Plan Options.
Current remuneration package	\$275,000 cash per annum plus statutory superannuation.
Securities previously issued under the scheme and price paid for those Securities	10,005,293 Plan Options have previously been issued to Mr Dunstan. The average price to be paid by Mr Dunstan to exercise these Plan Options will be \$0.03 per Plan Option. These amounts are required to be paid if the Plan Options are exercised
Terms of the Securities	Terms of the Plan Options issued to Mr Dunstan are contained in Annexure 4.
Reasoning behind the type of Security	The Company believes the grant of Options as opposed to Shares are preferable as Options will vest upon the satisfaction of certain conditions. This helps align the Company and Mr Dunstan's long-term goals and vision.
Price and value of the Securities	\$0.04 per Plan Option, being a total value of \$19,047 based on a Black and Scholes valuation with an implied volatility of 30%. For the avoidance of doubt, Mr Dunstan will not be required to pay any consideration to receive the 900,000 Plan Options the subject of this Resolution.
Issue date	The Plan Options will be issued within three years after the date of this Meeting.
Material terms of the scheme	Material terms of the IOP are contained in Annexure 5.
Material terms of loan	No loan will be given to Mr Dunstan by the Company to acquire the Plan Options.

The voting exclusion statement for the resolution is included in the Notice

10.7 Board recommendation

The Board, with Mr Dunstan abstaining, recommends that Shareholders vote in favour of Resolution 8.

11. RESOLUTION 9: PROPOSED ISSUE OF PLAN OPTIONS TO MR STEPHEN BORNESS**11.1 Background**

Please refer to paragraph 9.1 above in relation to the adoption of the Incentive Option Plan.

As a Non-Executive Director, Mr Borness is eligible to participate in the IOP. In recognition of his performance and to further promote his engagement with Gratifii, the Company proposes, subject to obtaining Shareholder approval, to issue 1,500,000 Plan Options to Mr Borness. For the avoidance of doubt, no consideration is payable by Mr Borness to receive the Plan Options.

As at the date of this Notice, Mr Borness and his Associates hold 2,000,000 Shares in the Company.

11.2 Approval for the purposes of ASX Listing Rule 10.14 is sought

Please refer to paragraph 9.2 above.

This Resolution 9 seeks Shareholder approval for the proposed issue of 1,500,000 Plan Options to Mr Borness pursuant to ASX Listing Rule 10.14. To understand the effect of passing this Resolution, please see Annexure 6. If this Resolution is not passed, no Plan Options will be issued to Mr Borness.

11.3 Approval for the purposes of Chapter 2E of the Corporations Act not sought

Please refer to paragraph 9.3 above.

The Directors are of the view that the giving of the financial benefit to Mr Borness as a Related Party of the Company is reasonable remuneration and falls within the exception in section 211 of the Corporations Act.

Accordingly, Shareholder approval for the purposes of Chapter 2E is not being sought.

11.4 Shareholder approval under ASX Listing Rule 10.11 not sought

Exception 8 to ASX Listing Rule 10.12 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 10.11. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

11.5 Shareholder approval under ASX Listing Rule 7.1 not sought

Exception 14 to ASX Listing Rule 7.2 provides that if Shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.14, approval is not required under ASX Listing Rule 7.1. Therefore, Shareholder approval is not being sought for the approval of this Resolution.

11.6 Required Information

Pursuant to ASX Listing Rule 10.15 the following information is provided.

Person to whom the Securities are to be issued, number and class	Mr Borness is to be issued 1,500,000 Plan Options.
Current remuneration package	\$60,000 cash per annum plus GST and statutory superannuation.
Securities previously issued under the scheme and price paid for those Securities	No Plan Options have previously been issued to Mr Borness.
Terms of the Securities	Terms of the Plan Options issued to Mr Borness are contained in Annexure 4.
Reasoning behind the type of Security	The Company believes the grant of Options as opposed to Shares are preferable as Options will vest upon the satisfaction of certain conditions. This helps align the Company and Mr Borness's long-term goals and vision.
Price and value of the Securities	\$0.04 per Plan Option, being a total value of \$31,745 based on a Black and Scholes valuation with an implied volatility of 30%. For the avoidance of doubt, Mr Borness will not be required to pay any consideration to receive the 1,500,000 Plan Options the subject of this Resolution.
Issue date	The Plan Options will be issued within three years after the date of this Meeting.
Material terms of the scheme	Material terms of the IOP are contained in Annexure 5.
Material terms of loan	No loan will be given to Mr Borness by the Company to acquire the Plan Options.

The voting exclusion statement for the resolution is included in the Notice.

11.7 Board recommendation

The Board, with Mr Borness abstaining, recommends that Shareholders vote in favour of Resolution 9.

GLOSSARY

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annexure means an annexure of this Notice.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in sections 10 to 17 of the Corporations Act.

ASX means ASX Limited or the market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of the ASX.

Board means the current board of Directors of the Company.

Bombora means Bombora Investment Management Pty Ltd ATF Bombora Special Investments Growth Fund ACN 625 413 390.

Bombora Convertible Note Agreement has the meaning given to that term in section 6.2 of the Explanatory Memorandum.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or **Gratifici** means Gratifici Limited (ACN 125 688 940).

Company Secretary means Mr David Hwang.

Constitution means the Company's constitution.

Convertible Note means the debt instrument which may be converted to equity on the terms agreed between the convertible note holder and the Company under the Convertible Note Terms.

Convertible Note Terms means the terms summarised in Annexure 3.

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

Directors means the directors of the Company from time to time.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Executive Chairman means the executive chairman of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

First Bombora Loan Agreement has the meaning given to that term in section 5 of the Explanatory Memorandum.

First Bombora Loan means the loan made under the First Bombora Loan Agreement.

First Sophisticated Lender Loan Agreement has the meaning given to that term in section 5.

First Sophisticated Lender Loan means the loan made under the First Sophisticated Lender Loan Agreement;

First Sophisticated Lender means Professional and Sophisticated Investors who made the First Sophisticated Lender Loan to the Company. These Lenders were introduced to the Company by Novus Capital.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

Incentive Option Plan or **IOP** means the Company's employee incentive scheme adopted on 1 May 2017 and renewed on 27 November 2020.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Loan Terms means the terms summarised in Annexure 2.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to subscribe for a Share, including Plan Options.

Plan Options means an Option issued under the IOP.

Professional and Sophisticated Investors means investors within the definition in sections 708(8) or 708(11) of the Corporations Act.

Proxy Form means the proxy form accompanying the Notice.

Related Party as defined in section 228 of the Corporations Act and Chapter 19 of the ASX Listing Rules.

Resolution means a resolution set out in the Notice.

Second Bombora Loan Agreement has the meaning given to that term in section 5 of the Explanatory Memorandum.

Second Bombora Loan means the loan made under the Second Bombora Loan Agreement;

Second Sophisticated Lender Loan Agreement has the meaning given to that term in section 5 of the Explanatory Memorandum.

Second Sophisticated Lender Loan means the loan made under the Second Sophisticated Lender Loan Agreement;

Second Sophisticated Lenders means Professional and Sophisticated Investors who made the Second Sophisticated Lender Loan to the Company. These Lenders were introduced to the Company by Novus Capital.

Securities as defined in Chapter 19 of the ASX Listing Rules.

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

Shareholder means a holder of a Share.

Annexure 1

Proxy Form – Refer attached.

Annexure 2

Terms of Loan Agreements

Note: These are key the terms of the:

1. First Bombora Loan Agreement for \$1,000,000 (see Resolution 4);
2. Second Bombora Loan Agreement for \$500,000 (see Resolution 5);
3. First Sophisticated Lender Loan Agreement for \$1,500,000 (see Reso
4. Second Sophisticated Lender Loan Agreement for \$1,000,000 (see Resolution 7).

Term	Twelve months, being from the date of the loan
Interest rate	8% p. a. accruing daily.
Repayment conditions	The Loan must be repaid within the term either in cleared funds or via the issue of Convertible Notes.
Default interest rate	18% p.a. default interest applies upon an event of default.
Material Events of Default	<p>Failure to convene this Annual General Meeting to obtain Shareholder approval for the relevant Resolutions to issue Convertible Notes.</p> <p>An insolvency event occurs.</p> <p>Failure to repay the Loan by the end of the term.</p>
Security	The Loan is unsecured.

Annexure 3

Terms of Convertible Notes

Note: These are the terms of all Convertible Notes which may be issued pursuant to Resolutions in the Notice of Meeting, whether to Bombora (Resolutions 4 and 5), the First Sophisticated Investor Lenders (Resolution 6) or Second Sophisticated Lenders (Resolution 7).

Face value	\$1.00.
Conversion price	The Convertible Notes will convert into Shares by dividing the face value and accrued interest by \$0.026 per Share.
Interest rate	8% p.a. will accrue daily on the face value from the date of issue.
Maturity Date	12 months after the date of the subscription of the Convertible Notes
Conditions precedent	The parties' obligations under the Convertible Note Agreement will be subject to Shareholders approving the relevant Resolutions to issue the proposed Convertible Notes.
Conversion	<p>The Convertible Notes are convertible into Shares at the noteholder's option any time up to the maturity date.</p> <p>The Convertible Notes are convertible into Shares at the Company's option on the Maturity Date.</p>
Redemption	<p>The Convertible Notes which are not previously converted must be redeemed on the Maturity Date.</p> <p>If an event of default occurs (eg, an insolvency event or a failure to pay any money owing under the Convertible Note Agreement), the Noteholders may demand an early redemption.</p>
Transferability and rights	The Convertible Notes are not transferable and do not entitle Bombora to any voting rights.
Reorganisation of capital	Upon any bonus issue or reorganisation of Share capital, the number of Shares which may be issued to the Noteholders under the Convertible Note Agreement will be adjusted to ensure that the Noteholders receives the same proportion of Shares as it would otherwise have received had

	the bonus issue or reorganisation not occurred.
Security	The Convertible Notes are unsecured.

Annexure 4

Terms of Plan Options

The Plan Options the subject of Resolutions 8 and 9 to Mr Dunstan and Mr Borness respectively be issued on the following material terms:

Plan Options	Detail
Vesting Conditions	In the case of Mr Dunstan, 12 months continuous employment. In the case of Mr Borness, 12 months continuous holding of office of Non-Executive Director.
Exercise price	\$0.04 per Plan Option.
Entitlement on exercise	1 Share per Plan Option.
Expiry date	1 September 2026.
Period of exercise	All Plan Options must be exercised by the expiry date. Any Plan Options which have not been exercised will lapse.
How to exercise a Plan Option	The holder of a Plan Option can exercise their Plan Option by delivering a duly completed notice to the Company before the expiry date.
Ranking	Shares obtained from the exercise of a Plan Option will rank equally with all existing Shares.
Quotation	The Company will not seek quotation of the Plan Options.
Transferability	The Plan Options are not transferable.
Reconstruction of capital	If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction of return), all rights of a holder of Plan Options are to be changed to the extent necessary in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
Participation in new issues	There are no participation rights or entitlements inherent in the Plan Options and holders of Plan Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Plan Options without exercising the Plan Options. Holders of these Plan Options will be afforded the period of at least 5 Business Days prior to and inclusive of the record date (to determine entitlements to the new issue) to exercise their Plan Options.
Change in Exercise price/number of underlying ordinary Shares	If there is a bonus issue to Shareholders, the number of ordinary Shares over which a Plan Option is exercisable may be increased by the number of Shares which the holder of the Plan Option would have received if Plan Option had been exercised before the record date for the bonus issue. In the event that a pro rata issue (except a bonus issue) is made to Shareholders, the exercise price of the Plan Options may be reduced in accordance with ASX Listing Rule 6.22.2.

Annexure 5

Material Terms of the IOP

A summary of the terms of the IOP is set out below. The full terms and conditions of the IOP may be obtained free of charge by contacting the Company Secretary.

- (a) **Eligibility and grant of Options:** Options may be granted at the discretion of the Board to any Director, contractor, full time, part time or casual employee of the Company or related body corporate (**Eligible Participant**).
- (b) **Invitation to apply for Options:** the Board may provide a written invitation to the Eligible Participant to apply for Options upon the terms set out in the Incentive Option Plan and upon such additional terms and conditions the Board determines (**Offer**). The invitation must specify:
 - (i) the maximum number of Options that the Eligible Participant may apply for, or the formula for determining the maximum number of Options that may be applied for;
 - (ii) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Option or the formula for determining the maximum number of Shares;
 - (iii) any application vesting conditions;
 - (iv) any restriction period applied by the Incentive Option Plan or that the Board has resolved to apply to Shares issued on exercise of the Options;
 - (v) the expiry date of the Options (**Expiry Date**);
 - (vi) the date by which an application for Options must be received by the Company; and
 - (vii) any other information required by law or the ASX Listing Rules.
- (c) **Number of Options offered:** the number of Options which an Eligible Participant is invited to apply for pursuant to an Offer is within the discretion of the Directors. Each Option will, upon exercise of a vested Option, entitle the holder to receive, at the absolute discretion of the Board, either one (1) Share in the capital of the Company, or a cash payment of equivalent value.
- (d) **Cashless Exercise Facility:** subject to Board approval, an Eligible Participant may set-off the Option exercise price (if any) against the number of Shares which the Eligible Participant is potentially entitled to receive upon exercise of the Options. The Eligible Participant will then receive, at the absolute discretion of the Board, either Shares or a cash payment to the value of the surplus after the Option exercise price has been set-off.
- (e) **Vesting conditions:** 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.
- (f) **Option exercise price:** subject to any minimum price required by the ASX Listing Rules, the Board may determine the exercise price (if any) for an Option the subject of an Offer in its absolute discretion.

- (g) **Consideration:** Options issued under the Incentive Option Plan will be issued for no more than nominal cash consideration.
- (h) **Escrow:** a Share issued on exercise of any Option may be subject to a restriction period.
- (i) **Quotation:** Options will not be quoted on the ASX.
- (j) **Lapse of Offer:** to the extent that an application for Options is not received by the Company by a specified date (**Closing Date**), the Offer will lapse on the date following the Closing Date.
- (k) **Shares allotted upon exercise of Options:** the Company will issue or transfer Shares, or make a cash payment, to the Eligible Participant, within 5 days of receipt of a valid notice of exercise of vested Options. The Shares allotted under the Incentive Option Plan will be of the same class and will rank equally with Shares in the Company at the date of issue. The Company will seek listing of the new Shares on the ASX within the time required by the ASX Listing Rules.
- (l) **Transfer of Options:** an Option is non-transferable other than in special circumstances (if the holder suffers death or total and permanent disability, retirement, redundancy, severe financial hardship, or other circumstances determined in the Board's discretion or specified in the relevant Offer) with the consent of the Board. Options are otherwise transferable on the holder's death to their legal personal representative or upon the holder's bankruptcy to their trustee in bankruptcy.
- (m) **Lapse of Options:** an Option shall lapse when:
- (i) an unauthorised dealing in the Option occurs, or the holding engages in fraud, dishonesty or other improper behaviour;
 - (ii) a vesting condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction;
 - (iii) in respect of an unvested Option only, the relevant person ceases to be an Eligible Participant, subject to the Board's discretion to waive the lapsing of the Options in special circumstances;
 - (iv) in respect of a vest Option only, a relevant person ceases to be an Eligible Participant and the Board resolves that the Options granted in respect of that relevant person must:
 - (A) be exercised within a specific period, and the Option is not exercised within that period; or
 - (B) be cancelled by the Company in consideration for a cash payment to the Eligible Participant, and a cash payment is made;
 - (v) the Company undergoes a change of control or a winding up resolution order is made; or
 - (vi) the Option has not been exercised by the Expiry Date.
- (n) **Change of control:** If a company obtains control of the Company the vesting conditions are deemed to be automatically waived.

- (o) **Capital reconstruction:** in the event of a capital reconstruction, the exercise price and/or number of Options will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

- (P) **Participation in new issues:** there are no participating rights or entitlement inherent in the Options and the holders will not be entitled to participate in new Shares offered to Shareholders during the currency of the Options without first exercising the Options. In addition, holders of Options will not be entitled to vote or receive dividends as a result of their holding of Options.

Annexure 6

Total Dilution

As at the date of this Notice, the Company has on issue 616,425,090 Shares on an undiluted basis and 727,666,587 Securities¹ on a fully diluted basis.

Resolution	Recipient of Securities	Securities the subject of the Resolution	Current Securityholding ²	New Security holding if Resolution is passed	Projected % Shareholding ³	Total dilution if Resolution is passed ⁴
4 and 5	Bombora	\$1,500,000 worth of Convertible Notes (face value) which are convertible into 57,692,308 Shares ⁶	24,000,000 Shares	24,000,000 Shares	17.33%	6.53% dilution
			\$1,500,000 worth of Convertible Notes (face value) which are convertible into 75,000,000 Shares ⁵	\$1,500,000 worth of Convertible Notes (face value) which are convertible into 75,000,000 Shares ⁵ \$1,500,000 worth of Convertible Notes (face value) which are convertible into 57,692,308 Shares ⁶		
			TOTAL: 99,000,000 Securities⁷	TOTAL: 156,692,308 Securities⁷		
6	First Sophisticated Lenders	\$1,500,000 worth of Convertible Notes (face value) which are convertible into 57,692,308 Shares ⁸	N/A	57,692,308 Shares ⁷	6.53%	6.53%
7	Second Sophisticated Lenders	\$1,000,000 worth of Convertible Notes (face value) which are convertible into 38,461,538 Shares ⁹	N/A	38,461,538 Shares ⁷	4.35%	4.35%
8	Iain Dunstan	900,000 Plan Options	11,787,491 Shares	11,787,491 Shares	3.56%	

Reso- lution	Recipient of Securities	Securities the subject of the Resolution	Current Securityholding ²	New Security holding if Resolution is passed	Projected % Shareholding ³	Total dilution if Resolution is passed ⁴
			9,105,293 Plan Options 9,706,006 Options	10,005,293 Plan Options 9,706,006 Options		0.10% dilution
			TOTAL: 30,598,790 Securities⁷	TOTAL: 31,498,790 Securities⁷		
9	Stephen Borness	1,500,000 Plan Options	2,000,000 Shares	2,000,000 Shares	0.40%	0.17% dilution
			Nil Plan Options	1,500,000 Options		
			TOTAL: 2,000,000 Securities⁷	TOTAL: 3,500,000 Securities⁷		
Total dilution of Shareholders if all Resolutions are passed						17.68% dilution

¹ This is calculated on a fully diluted basis, which assumes the following: 616,425,090 Shares, 36,241,497 options and 75,000,000 Shares (which is face value of \$1,500,000 worth of Convertible Notes, converted at \$0.02 per Share, calculated up until 8 November 2021 (do not include any interest payments))

² Including all Securities held by that recipient's Associates as at the date of this Notice.

³ This is the total projected Shareholding of the recipient on a fully diluted basis (assumes all Options and Convertible Notes (excluding interest payments) held are exercised or converted to Shares.

⁴ This is calculated on a fully diluted basis, assuming all Options and Convertible Notes (excluding interest payments) will be exercised or converted to Shares. This is also the total dilution of Shareholders if that Resolution only is passed.

⁵ Refer to Resolution 5, as approved by Shareholders at the General Meeting held on 11 May 2021 for further details. Each Convertible Note has a face value of \$150,000 and is convertible into that number of Shares which is equal to the face value divided by \$0.02.

⁶ Refer to Resolutions 4 and 5 (and Annexure 3) for further details. Each Convertible Note has a face value of \$1.00 and is convertible into that number of Shares which is equal to the face value divided by \$0.026.

⁷ This is calculated on a fully diluted basis (assumes all Options and Convertible Notes (excluding interest payments) held are exercised or converted to Shares).

⁸ Refer to Resolution 6 (and Annexure 3) for further details. Each Convertible Note has a face value of \$1.00 and is convertible into that number of Shares which is equal to the face value divided by \$0.026.

⁹ Refer to Resolution 7 (and Annexure 3) for further details. Each Convertible Note has a face value of \$1.00 and is convertible into that number of Shares which is equal to the face value divided by \$0.026.



GRATIFI LIMITED | ABN 47 125 688 940

Proxy Voting Form

If you are attending the virtual meeting, please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **11:00am (AEDT) on Saturday, 6 November 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 despatched 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/#/home>

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:

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GPO Box 5193
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IN PERSON:

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