



Dear Shareholder,

**2021 ANNUAL GENERAL MEETING - COVID-19 ARRANGEMENTS**

Terragen Holdings Limited ("the Company") advises that the 2021 Annual General Meeting of the shareholders of the Company is scheduled to be held by virtual technology on Wednesday, 17 November 2021 at 12.00pm AEDT (Melbourne time).

The Notice of the 2021 Annual General Meeting can be viewed and downloaded at [www.terragen.com.au](http://www.terragen.com.au) and through the Company's announcement page on ASX by searching the code "TGH".

The health and safety of shareholders, Company personnel, and other stakeholders, is the highest priority in the current circumstances resulting from COVID-19. While the COVID-19 situation continues to cause restrictions in movement, based on the best information available to the Directors at the time of the Notice of the 2021 Annual General Meeting, the Company intends to conduct the meeting virtually on an online platform provided by the Company's share registry.

More information regarding virtual attendance at the Annual General Meeting (including how to vote and ask questions virtually during the meeting) is set out in the Virtual Meeting Guide at [www.terragen.com.au](http://www.terragen.com.au).

***Shareholders are strongly encouraged to vote. Guidance on how to vote is included in the Notice of Meeting. If you choose to vote by lodging a directed proxy appointing the Chairman as your proxy, this must be done before 12.00pm (AEDT) on 15 November 2021.*** Your personalised Proxy Form is enclosed for your convenience. Please complete and return the attached Proxy Form to the Company's share registry in accordance with the instructions set out in the Proxy Form.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant, or other professional advisor. If you have any difficulties obtaining a copy of the Notice of Meeting, please contact the Company's share registry Link Market Services Limited on 1300 554 474.

The Company will continue to closely monitor guidance from the Federal and State Governments for any impact on the proposed arrangements for the Annual General Meeting. If any changes are required, the details will be made available on Terragen's website at [www.terragen.com.au](http://www.terragen.com.au).

Authorised by the Board of Terragen Holdings Limited.

**For further information please contact:**

Jim Cooper  
Managing Director and CEO  
+ 61 417 321 145  
[jimc@terragen.com.au](mailto:jimc@terragen.com.au)



## **Notice of Annual General Meeting and Explanatory Statement**

# **Terragen Holdings Limited ACN 073 892 636**

**To be held at:** virtually - online (including to listen, vote and ask questions online during the meeting): [<https://agmlive.link/TGH21>]

**To be held on:** Wednesday, 17 November 2021  
**Commencing:** 12.00 p.m. AEDT (Melbourne time)

**Your vote is important and given the COVID-19 pandemic, we are convening the Annual General Meeting virtually. Shareholders can only participate in the Annual General Meeting virtually or voting by proxy rather than attending the Annual General Meeting in person.**

More information regarding online participation at the General Meeting (including how to vote and ask questions online during the General Meeting) is available in Part C of this Notice of Annual General Meeting and at [www.terragen.com.au](http://www.terragen.com.au).

### **Important Information**

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

## Important dates

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Deadline for lodgement of Proxy Forms for the Annual General Meeting	12.00 p.m. (Melbourne time) Monday, 15 November 2021
Annual General Meeting	12.00 p.m. (Melbourne time) Wednesday, 17 November 2021

## Letter from the Chair

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Dear Shareholders,

We are pleased to invite you to the Annual General Meeting of Terragen Holdings Limited ACN 073 892 636 (**Company**).

To ensure safety and enable participation of all Shareholders, we are holding the 2021 Annual General Meeting via a virtual platform. You will need your SRN/HIN and post code (Australian address) or country code (overseas address). By participating in the Annual General Meeting virtually, you will be able to:

- watch and listen to the presentations and discussions during the meeting;
- vote on the resolutions to be considered at the Annual General 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 1800 990 363 or +1800 990 363 prior to the meeting to obtain a personalised PIN number. Please refer to the Virtual Meeting Online Guide for further information on how to participate virtually.](#)

Participating in the Annual General Meeting online enables Shareholders to ask questions and cast direct votes at the appropriate times during the Annual General Meeting.

Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to the Company Secretary by email to [milesb@terrigen.com.au](mailto:milesb@terrigen.com.au).

### Background to the Resolutions

In addition to customary resolutions, this Annual General Meeting seeks the approval of Shareholders for:

- the re-election of Mr Sam Brougham; and
- the renewal of the proportional takeover provisions contained in the Constitution.

All of the Directors entitled to make a recommendation in respect of a particular Resolution recommend that you vote in favour of adopting that Resolution.

With respect to the Annual General Meeting, this booklet contains the following:

- The Notice of Meeting for the Annual General Meeting which contains information about the business to be conducted at the Annual General Meeting, including the Resolutions to be put to the Annual General Meeting (see Part B);
- Information explaining the business to be conducted at the Annual General Meeting (see the Explanatory Statement at Part D); and
- Information on how to vote, how to attend the Annual General Meeting electronically and appoint a proxy to vote on the Resolutions to be passed at the Annual General Meeting (see Part C).

Please read the whole of this booklet carefully as it provides important information on the Annual General Meeting, items of business and the Resolutions that you, as a Shareholder, are being asked to vote on.

Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Company Secretary, Mr Miles Brennan, on +61 413 115 224 or by email at [milesb@terrigen.com.au](mailto:milesb@terrigen.com.au).

By order of the Board

Dated: 18 October 2021

Travis Dillon – Chair  
**Terragen Holdings Limited**

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## Section A – Glossary

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<b>\$</b>	Australian dollars.
<b>AEDT</b>	Australian Eastern Daylight Savings Time.
<b>Annual General Meeting (AGM)</b>	The Annual General Meeting of Shareholders.
<b>ASIC</b>	The Australian Securities & Investments Commission.
<b>ASX</b>	The Australian Securities Exchange operated by ASX Limited.
<b>ASX Listing Rules</b>	The listing rules of the ASX.
<b>Board</b>	The board of Directors of the Company.
<b>Closely Related Party</b>	<ul style="list-style-type: none"> <li>• a spouse or child of the Shareholder; or</li> <li>• has the meaning given in section 9 of the Corporations Act.</li> </ul>
<b>Company</b>	Terragen Holdings Limited ACN 073 892 636.
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth).
<b>Corporations Regulations</b>	The <i>Corporations Regulations 2001</i> (Cth).
<b>Directors</b>	The directors of the Company and <b>Director</b> means any one of them.
<b>Explanatory Statement</b>	The explanatory statement accompanying the Notice of Annual General Meeting and contained in Part D.
<b>Glossary</b>	The glossary contained in Part A to this booklet.
<b>Key Management Personnel</b>	Has the meaning given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
<b>Notice of Annual General Meeting</b>	The notice of the Annual General Meeting accompanying the Explanatory Statement for the Annual General Meeting and contained in Part B.
<b>Part</b>	A part of this booklet.
<b>Proxy Form</b>	The online proxy form or the proxy form accompanying this Notice of Annual General Meeting.
<b>Resolution(s)</b>	The resolution(s) contained in the Notice of Annual General Meeting.
<b>Shareholders</b>	The holders of all shares issued in the Company and <b>Shareholder</b> means any one of them.
<b>Shares</b>	All of the shares on issue in the share capital of the Company and <b>Share</b> means any one of them.
<b>Subsidiaries</b>	Has the meaning given in section 9 of the Corporations Act.

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## Section B – Notice of Annual General Meeting

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### Time and place

Notice is hereby given that the Annual General Meeting will be held as follows:

- **Held:** virtually at [<https://agmlive.link/TGH21>].
- **Commencing at:** 12.00 p.m. AEDT (Melbourne time) on Wednesday, 17 November 2021.

Due to the social distancing restrictions imposed by the Australian Government, the Directors have decided to convene the Annual General Meeting **virtually**. We consider this is the required response to safeguard the health and safety of our Shareholders and people, and to ensure the Company's compliance with government regulations.

We appreciate the support and understanding of our Shareholders during this time. Further details about the virtual meeting can be found in sections B, C, and D of the Notice of Annual General Meeting.

### Participate and vote online

In order to attend, ask questions and vote virtually in real time via the online platform, please use the details set out in Section C of this Notice of Annual General Meeting.

Participating in the Annual General Meeting online enables Shareholders to ask questions and cast direct votes at the appropriate times during the Annual General Meeting.

More information regarding virtual participation at the Annual General Meeting (including how to vote and ask questions online during the Annual General Meeting) is available at [www.terragen.com.au](http://www.terragen.com.au).

Shareholders may only ask questions online once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to Mr Miles Brennan by email at [milesb@terragen.com.au](mailto:milesb@terragen.com.au).

### Explanatory Statement

The Explanatory Statement which accompanies and forms part of this Notice of Annual General Meeting describes the matters to be considered at the Annual General Meeting.

### Defined terms

Terms used in this Notice of Annual General Meeting have the meaning given to them in the Glossary in **Section A** of this Notice of Annual General Meeting.

## ORDINARY BUSINESS

### 1. Financial statements and reports

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To receive and consider the Company's 2021 Annual Report, which comprises the Directors' Report, the Auditor's Report and the Financial Report for the financial year ending 30 June 2021.

### 2. Resolution 1: Adoption of Remuneration Report

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

*"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, Shareholders adopt the Remuneration Report for the financial year ended 30 June 2021 as disclosed in the Directors' Report for the year ending 30 June 2021."*

Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

**Short Explanation:** This Resolution is required as a result of section 250R(2) of the Corporations Act, which requires that a resolution that the Remuneration Report of the Company be adopted must be put to a vote. The vote on this Resolution is advisory only and does not bind the Company.

**Voting exclusion statement:** In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel whose remuneration details are included in the remuneration report; or
- a Closely Related Party of such member.

However, the above persons may cast a vote on this Resolution if:

- the person does so as a proxy; and
- the vote is not cast on behalf of 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; and
- either:
  - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
  - the voter is the Chair of the Annual General Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to vote as the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or, if the Company is part of a consolidated entity, for the entity.

### 3. Resolution 2: Re-election of Mr Sam Brougham

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

*"That Mr Sam Brougham who retires by rotation as a Director of Terragen Holdings Limited in accordance with ASX Listing Rule 14.5 and rule 17.5 of the Company's Constitution and, being eligible and offering himself for re-election, be re-elected as a Director of the Company."*

**Short Explanation:** This Resolution is required as rule 17.5 of the Company's Constitution which provides that at each annual general meeting one-third of the Directors (except for the managing director), or if their number is not three or a multiple of three, then the number nearest but not exceeding one-third, must retire from office by rotation. Each retiring Director is eligible for re-election. Further, ASX Listing Rule 14.5 provides that an election of directors must be held at each annual general meeting.

## SPECIAL BUSINESS

### 4. Resolution 3: Proportional Takeover Provision

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

*"That the proportional takeover provisions contained in Rule 33 of the Constitution be granted effect for a further three years, effective on the day on which this Resolution is passed".*

<p><b>Short Explanation:</b> Under the Corporations Act, the proportional takeover provisions expire three years from adoption or renewal, which is due to occur on 10 September 2022 being prior to the next annual general meeting of the Company. The Company is seeking shareholder approval to renew these provisions under the Corporations Act. The proportional takeover bid provisions are identical to those included in the Company's current Constitution which were adopted by the Company on 10 September 2019.</p>
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## OTHER BUSINESS

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To transact any other business which may be brought forward in accordance with the Company's Constitution.



## Section C – How to vote

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If you are entitled to vote at the Annual General Meeting, you may vote by attending the meeting virtually or by proxy or, in the case of corporate shareholders, corporate representative.

### 1. How to vote

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If you are entitled to vote at the Annual General Meeting, you may vote by attending the Annual General Meeting virtually or by attending the meeting by proxy by lodging your online Proxy Form at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) outlined in the Notice and Access letter or use the personalised link which was sent to all holders who have elected to receive online communications for Notices of Meeting.

**Please note that if you intend to attend the meeting and/or vote at the meeting virtually, you will need your SRN/HIN (which can be found on your Proxy Form) for verification purposes.**

### 2. Your vote is important

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

### 3. Corporations

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To vote at the Annual General Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Corporations Act. Alternatively, a corporation may appoint a proxy.

### 4. Voting virtually

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To vote at the Annual General Meeting virtually, login into [\[https://agmlive.link/TGH21\]](https://agmlive.link/TGH21) using your shareholder number (which can be found on the Proxy Form) on the date and at the time and place set out above. The details are as follows:

- Visit [\[https://agmlive.link/TGH21\]](https://agmlive.link/TGH21) on your smartphone, tablet or computer with internet access.
- **Shareholders:** When you log onto the online platform, you will need to provide your details (including SRN/HIN and postcode) to be verified as a Shareholder. Shareholders with a registered address outside of Australia should click "Outside Australia" and select the country of their registered address.
- **Proxyholders:** When you log onto the online platform, you will need your "Proxy Number" which will be provided to you by Link Market Services by email before the Annual General Meeting.

Participating in the Annual General Meeting online, enables Shareholders to ask questions and cast direct votes at the appropriate times during the Annual General Meeting.

You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online (including how to vote and ask questions virtually during the Annual General Meeting) please view the Virtual Meeting Online Guide which can be found at the end of this document. For more information, please refer to the Virtual Meeting Online Guide at [www.terragen.com.au](http://www.terragen.com.au).

Please note, Shareholders may only ask questions online or by telephone once they have been verified. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question to Mr Miles Brennan by email at [milesb@terragen.com.au](mailto:milesb@terragen.com.au).

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## 5. Voting in person

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There will be no ability to attend the Annual General Meeting in person as the Annual General Meeting is being convened virtually.

## 6. Voting by proxy

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### General

To vote by proxy, a Shareholder will need to complete and lodge the Proxy Form at the share registry of the Company, Link Market Services Limited, in accordance with the instructions set out in the Proxy Form, or vote online on [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

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; 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.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean 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 on these changes 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 members; 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; or

- 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.

## **7. Eligibility to vote**

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The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00 p.m. (Melbourne time) on Monday, 15 November 2021. If you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.

## **8. Voting procedure – on a poll**

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Every question arising at this Annual General Meeting will be decided on a poll. Upon a poll, every person entitled to vote who is present at the virtual meeting or by proxy will have one vote for each voting share held by that person.

## **9. Enquiries**

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For all enquiries, please contact the Company Secretary, Mr Miles Brennan, on +61 413 115 224 or by email at [milesb@terragen.com.au](mailto:milesb@terragen.com.au)

## Section D – Explanatory Statement

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This Explanatory Statement forms part of the Notice of Annual General Meeting convening the Annual General Meeting of Shareholders of the Company to be held commencing at 12.00 p.m. AEDT (Melbourne time) on Wednesday, 17 November 2021 via a virtual meeting platform.

Refer to Section C for details on how to attend and vote at the Annual General Meeting.

This Explanatory Statement is to be read in conjunction with the Notice of Annual General Meeting.

### Purpose

The purpose of this Explanatory Statement is to provide information which the Directors consider is material to Shareholders in deciding whether or not to pass the Resolutions to be put forward in the Annual General Meeting.

The Directors recommend Shareholders read the Notice of Annual General Meeting and this Explanatory Statement in full before making any decisions relating to the Resolutions contained in the Notice of Annual General Meeting.

### Defined terms

Terms used in this Explanatory Statement have the meaning given to them in the Glossary in **Section A** of this Notice of Annual General Meeting in which this Explanatory Statement is contained.

## GENERAL INFORMATION

### 1. Agenda Item 1 – Financial statements and reports

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#### 1.1 Purpose of Resolution

The 2021 Annual Report for the year ending 30 June 2021 includes the Directors' Report, the Auditor's Report and the Financial Report (which includes the financial statements and Directors' declaration).

The Corporations Act requires that the report of the directors, the auditor's report and the financial report be laid before the annual general meeting.

Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders at the Annual General Meeting on the 2021 Annual Report.

#### 1.2 Questions to the Chair

Shareholders will be given reasonable opportunity at the meeting to raise questions and make comments on the 2021 Annual Report.

In addition to asking questions at the meeting, Shareholders may address written questions to the Chair about the management of the Company or to the Company's auditor, Mr Peter Glynn of Deloitte, if the question is relevant to:

- the content of the Auditor's Report; or
- the conduct of its audit of the Financial Report to be considered at the Annual General Meeting.

*Note: Under section 250PA(1) of the Corporations Act a shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.*

Written questions for the auditor must be delivered by 5:00 p.m. on Wednesday, 10 November 2021 to:

Terragen Holdings Limited  
 Attn: The Company Secretary  
 Unit 6, 39 Access Crescent  
 Coolumb Beach QLD 4573  
 Or via email to: milesb@terragen.com.au

## **2. Resolution 1: Adoption of Remuneration Report**

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### **2.1 Purpose of Resolution**

The Remuneration Report of the Company for the financial year ending 30 June 2021 is set out in the Directors' Report contained in the 2021 Annual Report.

An electronic copy of the 2021 Annual Report is available to download or view on the Company's website at [www.terragen.com.au](http://www.terragen.com.au). The 2021 Annual Report has also been sent by post to those Shareholders who have previously elected to receive a hard copy.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

The Corporations Act at section 250R(2) requires that a resolution that the Remuneration Report of the Company be adopted must be put to a vote.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting.

This Resolution is an ordinary resolution.

### **2.2 Voting consequences**

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Company.

However, Part 2G.2, Division 9 of the Corporations Act provides that if at least 25% of the votes cast on this Resolution are voted against the adoption of the Remuneration Report at the Annual General Meeting, then:

- if comments are made on the Remuneration Report at the Annual General Meeting, the Company's Remuneration Report for the next financial year will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reason for this; and
- if at the next Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report are against such adoption, the Company will be required to put to Shareholders a resolution proposing that a general meeting be called to consider the election of Directors of the Company (**Spill Resolution**). If a Spill Resolution is passed, all of the Directors, other than the managing director, will cease to hold office at the subsequent general meeting, unless re-elected at that meeting.

### **2.3 Voting exclusion and Directors' recommendations**

Resolution 1 of the Annual General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

As set out in the notes to Resolution 1, a voting exclusion statement applies with respect to the voting on this Resolution by certain persons connected to the Company.

As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with section 250R(2) of the Corporations Act, makes no recommendations regarding this Resolution.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of Resolution 1, subject to compliance with the Corporations Act.

### **3. Resolution 2: Re-election of Mr Sam Brougham**

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#### **3.1 Purpose of Resolution**

Mr Sam Brougham has served as a director since 10 July 2017.

Mr Sam Brougham retires from office under ASX Listing Rule 14.5 and rule 17.5 of the Constitution and stands for re-election.

This Resolution is an ordinary resolution.

#### **3.2 The law**

This Resolution is required as rule 17.5 of the Company's Constitution provides that where required by the Corporations Act or the ASX Listing Rules, the Company must hold an election of directors each year. If there would not otherwise not be a vacancy on the board, and no director is required to retire, then the director who has been longest in office since last elected must retire.

Further ASX Listing Rule 14.5 provides that an election of directors must be held at each annual general meeting.

Under rule 17.5(b) of the Company's Constitution, where directors were elected on the same day, the director to retire is (in default of agreement) determined by ballot.

#### **3.3 Director resume**

Mr Brougham has over thirty years' experience in private and public investment and is currently a director of Ellerston Asian Investments and Ceres Capital Pty Ltd, a private global equity investment firm he co-founded in 1999.

Sam also co-founded Structured Asset Management in 1993. After receiving an economics degree from the University of Adelaide, he spent his early career with Price Waterhouse, and as a partner at JB Were.

Mr Brougham previously served as Chairman of the Board from July 2017 to December 2019, before continuing on the Board in the capacity of Non-Executive Director.

#### **3.4 Directors' recommendations and interests**

The Board (with Mr Brougham abstaining) recommends that Shareholders vote in favour of Resolution 2.

Resolution 2 of the Annual General Meeting is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of Resolution 2.

### **4. Resolution 3: Renewal of proportional takeover approval provisions**

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#### **4.1 General**

Rule 33 of the Company's Constitution includes proportional takeover provisions which enable the Company to refuse to register shares acquired under a proportional takeover bid unless

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Shareholders approve the bid. Under the Corporations Act, proportional takeover provisions expire three years from adoption or renewal and may then be renewed. The proportional takeover provisions are due to expire on 10 September 2022 being prior to the next annual general meeting.

The Company is seeking Shareholder approval to renew these provisions under the Corporations Act. The proportional takeover bid provisions are identical to those included in the Company's current Constitution which were subject to approval by special resolution of the Shareholders on 10 September 2019.

A proportional takeover offer is a takeover offer where the offer made to each shareholder is only for a proportion of that shareholder's shares, and not for the shareholder's entire shareholding.

#### 4.2 Information requirements

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion or renewal of a proportional takeover provision in the Constitution. The following information comprises the statement required under section 648G(5) of the Corporations Act.

##### (a) Effect of the provision

If a takeover offer is made under a proportional takeover bid for a class of the Company's securities, the Directors must ensure that a resolution to approve the takeover bid (**Approval Resolution**) is voted by the shareholders of the class of shares being bid, not less than 14 days before the last day of the bid period (**Deadline**).

The only persons entitled to vote on the Approval Resolution are those persons who, as at the end of the day on which the first offer under the takeover bid was made, held shares included in the bid class in respect of which the offer was made. The bidder under the takeover bid and its associates are not entitled to vote on the Approval Resolution.

Each person entitled to vote has one vote for each share in the relevant class held by the person at that time. The vote on the Approval Resolution is decided on a simple majority. The Approval Resolution will be taken to have been passed if more than 50% of votes are cast in favour of the Approval Resolution, otherwise it is taken to have been rejected.

The Directors will breach the Corporations Act if they fail to ensure the Approval Resolution is voted on. However, if the Approval Resolution is not voted on as at the end of the day before the Deadline, the Approval Resolution is taken to have been passed.

If the Approval Resolution is passed (or taken to have been passed) by the shareholders, the transfer resulting from the bid must be registered if they comply with other provisions of the Corporations Act and the Constitution.

If the Approval Resolution is rejected, binding acceptances must be rescinded as soon as practicable after the Deadline, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn at the end of the Deadline. The proportional takeover provisions do not apply to full takeover bids.

Rule 33 will expire three years after its reinsertion into the Constitution, unless renewed by a further special resolution of shareholders.

##### (b) Reasons for proposing this special resolution

A proportional takeover bid involves an offer for only a proportion of each shareholder's securities. This may allow control of the Company to pass without

shareholders having the chance to sell all their securities to the bidder and assist a bidder to take control of the Company without payment of an adequate control premium.

Shareholders, other than the bidder and its associates, may be exposed to the risk of being left as a minority in the Company as well as the loss of potential to receive an adequate control premium for their remaining shares. The proportional takeover provisions lessen these risks because they allow shareholders to decide whether a proportional takeover bid is acceptable in principle, is appropriately priced and should be permitted to proceed.

(c) Knowledge of acquisition proposals

At the date on which this Notice of Annual General Meeting was prepared, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) Potential advantages and disadvantages

While the proportional takeover provisions have previously been in force under the Constitution, there have been no full or proportional takeover bids for the Company at any time since it listed. Therefore, there is no example against which to review the advantages or disadvantages of the provisions for the Directors and shareholders respectively.

The Directors consider that the proposed renewal of the proportional takeover provisions has no potential advantages or potential disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved.

The potential advantages of the proposed renewal of the proportional takeover provisions for shareholders are:

- (i) shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) the provisions may assist shareholders to avoid being locked in as a minority;
- (iii) the bargaining power of shareholders is increased, and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) knowing the view of the majority of shareholders may help each individual shareholder assess the likely outcome of the proportional takeover bid and to decide whether to approve or reject that offer.

The potential disadvantages of the proposed renewal of the proportional takeover provisions for shareholders are:

- (i) it may discourage offers of proportional takeover bids for shares in the Company and may depress the share price;
- (ii) shareholders may lose an opportunity of selling some of their shares at a premium; and
- (iii) the likelihood of a proportional takeover bid being successful may be reduced.

The Directors consider that the potential advantages of the proportional takeover provisions for shareholders outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid should be permitted to proceed.



(e) Shareholders may act

If the special resolution to renew the proportional takeover provisions in Rule 15 of the Constitution is passed, shareholders who together hold not less than 10% (by number) of the issued securities in a class of securities in the Company to which the provisions apply may, within 21 days after the day on which the special resolution is passed, apply to the Court to have the proportional takeover provisions set aside to the extent to which it relates to that class of shareholders.

On an application, the Court may make an order setting aside the proportional takeover provisions if it is satisfied that it is appropriate in all the circumstances to do so. Otherwise the Court must discuss the application. Unless and until an application is final determined by the making of an order setting aside the proportional takeover provision, the Company is taken for all purposes to have validly included the proportional takeover provision applying to that class of shareholders.

#### 4.3 **Voting exclusion and Directors' recommendations**

The Directors recommend that Shareholders approve Resolution 3.

Resolution 3 is a **special resolution** and so requires the approval of 75% or more of the votes cast by Shareholders.

The Chair of the Annual General Meeting intends to vote all available undirected proxies in favour of Resolution 3.

## LODGE YOUR VOTE



### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



### BY MAIL

Terragen Holdings 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: +61 1300 554 474



**X99999999999**

## PROXY FORM

I/We being a member(s) of Terragen Holdings Limited (the **Company**) 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. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

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 **12:00pm (AEDT) on Wednesday, 17 November 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/TGH21> (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\***

**1** Adoption of Remuneration Report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**2** Re-election of Director,  
Mr Sam Brougham

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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**3** Renewal of Proportional Takeover  
Provision

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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\* 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).

**TGH 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 [registrars@linkmarketservices.com.au](mailto:registrars@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](http://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 **12:00pm (AEDT) on Monday, 15 November 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](http://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

Terragen Holdings 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