

ASX Announcement

29 October 2021

Notice of 2021 Annual General Meeting & Voting Form

The document attaches copies of:

- Notice of Felix Group Holding Ltd's 2021 Annual General Meeting; and
- A sample of the shareholder proxy voting form.

Yours sincerely



James Frayne
Company Secretary
Felix Group Holdings Ltd



**Felix Group Holdings Ltd
ACN 159 858 509**

Notice of Annual General Meeting

The Annual General Meeting of the Company will be held as follows:

Time and date: 9:00AM (AEDT) on Monday, 29 November 2021

Virtually: <https://web.lumiagm.com/315680377>

Due to the on-going COVID-19 related restrictions on gatherings and travel imposed by governments, the 2021 AGM will be held virtually. Shareholders will not be permitted to attend the AGM in person.

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company on 1300 010 527.

Shareholders are urged to vote by lodging the Proxy Form

Felix Group Holdings Ltd
ACN 159 858 509

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of Shareholders of Felix Group Holdings Ltd (**Company**) will be held on 29 November 2021 at 9:00AM (AEDT) (**Meeting**).

Due to the on-going COVID-19 related restrictions on gatherings and travel imposed by governments, the Meeting will be held virtually. Shareholders will not be permitted to attend the Meeting in person.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 6.00pm (AEDT) on 27 November 2021.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, form part of the Notice.

Terms and abbreviations used in the Notice are defined in the Schedule.

Items of Business

1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2021, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve the Annual Report.

2 Resolutions

Resolution 1 – Remuneration Report

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

'That, the Remuneration Report be adopted by Shareholders.'

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

Resolution 2 – Election of Director - Michael Bushby

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

'That, in accordance with clause 63.2 of the Constitution and Listing Rule 14.4 and for all other purposes, Michael Bushby retires as a Director at this Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Election of Director - Michael Trusler

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

'That, in accordance with clause 63.2 of the Constitution and Listing Rule 14.4 and for all other purposes, Michael Trusler retires as a Director at this Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Election of Director - George Rolleston

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

'That, in accordance with clause 63.2 of the Constitution and Listing Rule 14.4 and for all other purposes, George Rolleston retires as a Director at this Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Election of Director - Rob Phillpot

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

'That, in accordance with clause 63.2 of the Constitution and Listing Rule 14.4 and for all other purposes, Rob Phillpot retires as a Director at this Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Election of Director - Joycelyn Morton

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

'That, in accordance with clause 63.2 of the Constitution and Listing Rule 14.4 and for all other purposes, Joycelyn Morton retires as a Director at this Meeting and, being eligible and offering herself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'

Resolution 7 – Approval of 10% Placement Capacity

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to the number of Equity Securities (as defined in the ASX Listing Rules) equal to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Resolution 8 - Approval of Employee Securities Incentive Plan

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

'That pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the employee incentive scheme of the Company known as the Felix Group Holdings Ltd Employee Securities Incentive Plan and the issue of securities under that plan, on the terms and conditions in the Explanatory Memorandum.'

Resolution 9 - Approval of potential termination benefits under the Plan

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

*'That conditional on Resolution 8 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all securities issued or to be issued under the Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act 2001 (Cth) (**Corporations Act**) for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.'*

Resolution 10 - Approval of issue of CEO Performance Rights

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

'That pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of CEO Performance Rights to Mike Davis (or his nominees) under the Plan, on the terms and conditions in the Explanatory Memorandum.'

Resolution 11 - Approval of issue of Director Options

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

'That pursuant to and in accordance with Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of:

- (a) 1,388,889 Options to Rob Phillipot; and
- (b) 426,667 Options to Joycelyn Morton,

(or their respective nominees) under the Plan, on the terms and conditions in the Explanatory Memorandum.'

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) Resolution 7 by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any associate of those persons;
- (b) Resolution 8 by or on behalf of a person who is eligible to participate in the Plan, or any of their respective associates;
- (c) Resolution 10 and Resolution 11(a) and (b) by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan, or any of their respective associates;

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder 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 holder 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 holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibitions

Resolution 1: In accordance with sections 250BD and 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

For the purposes of this Notice:

"Closely Related Party" means a spouse or child of the member, or otherwise has the meaning given in section 9 of the Corporations Act; and

"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.

A vote may be cast by such person if the vote is not cast on behalf of a person who is

excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 8, Resolution 9, Resolution 10, Resolution 11(a) and (b): In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Further, in respect of Resolution 9, in accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

BY ORDER OF THE BOARD



James Frayne
Company Secretary
Felix Group Holdings Ltd
Dated: 27 October 2021

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held on 29 November 2021 at 9:00AM (AEDT) (**Meeting**).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Election of Director - Michael Bushby
Section 6	Resolution 3 – Election of Director - Michael Trusler
Section 7	Resolution 4 – Election of Director - George Rolleston
Section 8	Resolution 5 – Election of Director - Rob Phillipot
Section 9	Resolution 6 – Election of Director - Joycelyn Morton
Section 10	Resolution 7 – Approval of 10% Placement Capacity
Section 11	Resolution 8 - Approval of Employee Securities Incentive Plan
Section 12	Resolution 9 - Approval of potential termination benefits under the Plan
Section 13	Resolution 10 - Approval of issue of CEO Performance Rights
Section 14	Resolution 11(a) and (b) - Approval of issue of Director Options
Schedule 1	Summary of Employee Incentive Plan
Schedule 2	Terms and conditions of CEO Performance Rights
Schedule 3	Terms and conditions of Incentive Options
Schedule 4	Valuation of Incentive Options

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Voting and attendance information

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Impact of COVID-19 on the Meeting

Due to the on-going COVID-19 related restrictions on gatherings and travel imposed by governments, the Meeting will be held virtually. Shareholders will not be permitted to attend the Meeting in person.

2.2 Attending the Meeting virtually

The Meeting will be virtually accessible to all Shareholders, and will allow Shareholders, as a whole, a reasonable opportunity to participate without being physically present at the Meeting.

Shareholders can participate in the Meeting via the online platform from a desktop device or mobile/tablet device, by entering the URL in the browser:
<https://web.lumiagm.com/315680377>.

The Company recommends logging into the online platform at least 15 minutes prior to the scheduled start time for the Meeting.

To join the meeting, Shareholders will need to register their details by providing:

- (a) the Meeting ID: 315 680 377;
- (b) their SRN/HIN and registered address postcode (Australian residents) or the three character country code (overseas residents).

Appointed proxies must contact our share registry, Computershare, on +61 3 9415 4024 during the online registration period prior to the commencement of the meeting, to receive their unique username and password.

You must be logged in as a Shareholder to vote and ask questions during the Meeting. Shareholders participating in the Meeting via the online platform will be able to watch, listen, submit questions and vote online at the appropriate times during the Meeting. Further information regarding online attendance (including how to vote and ask questions virtually during the Meeting) is set out in the Company's Online Meeting Guide, which is attached to this Notice of Meeting and available on the Company's website at www.computershare.com.au/onlinemeetingguide.

2.3 Voting by proxy

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Proxy Forms can be lodged:

Online: www.investorcentre.com/contact

By mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By fax: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

By mobile: 1300 552 270 (within Australia) or +61 3 9415 4000 (outside Australia)

Custodian voting: www.intermediaryonline.com

In order for your proxy to be valid, your Proxy Form (and any power of attorney under which it is signed) must be received by 9:00AM (AEDT) on 27 November 2021. Proxies received after this time will be invalid.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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:

- (i) 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);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must only vote on a poll;
- (iii) 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
- (iv) 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).

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

- (i) 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;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and

- (iv) either 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.

2.4 Chair's voting intentions

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1, Resolution 8, Resolution 9, Resolution 10 and Resolution 11(a) and (b), even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2021.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://www.felix.net/investors/recent-reports>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

4. Resolution 1 – Remuneration Report

4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2020 annual general meeting held on 25 November 2020. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2022 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

4.2 Additional information

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

5. Resolution 2 – Election of Director - Michael Bushby

5.1 General

The Company adopted a new Constitution as part of its admission to the Official List of ASX.

Clause 63.2 of the Constitution and Listing Rule 14.4 provide that a Director appointed as an addition to the Board holds office until the end of the next annual general meeting of the Company, at which the Director may be re-elected. This requirement does not apply to the Managing Director.

This Meeting is the first at which Directors (excluding the Managing Director) are seeking election by Shareholders.

Michael Bushby is the Non-Executive Chairman of the Company and was appointed in November 2020.

Accordingly, Mr Bushby retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 2.

5.2 Michael Bushby

BE, BBus, MEng, FAICD

Mr Bushby is the Non-Executive Chairman of the Company. Mr Bushby also Chairs the Nomination and Remuneration Committee.

Mr Bushby has 30 years' experience in the transport sector. Mr Bushby is currently President of Roads Australia. He was previously a non-executive director and Chairman of EROAD Ltd (ERD:NZX), Chief Executive of Roads & Traffic Authority in New South Wales and held a senior position at Leighton Contractors.

Mr Bushby does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Bushby is considered by the Board (with Mr Bushby abstaining) to be an independent Director. Mr Bushby is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Bushby has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

5.3 Board recommendation

On the basis of Mr Bushby's skills, qualifications and experience and his contributions to the Board's activities, the Board (other than Mr Bushby) unanimously recommends Shareholders vote in favour of the election of Mr Bushby.

5.4 Additional information

Resolution 2 is an ordinary resolution.

6. Resolution 3 – Election of Director - Michael Trusler

6.1 General

The background to Resolution 3 is summarised in Section 5.1.

Michael Trusler is a Non-Executive Director and was first appointed as a Director in 2012.

Accordingly, Mr Trusler retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 3.

6.2 Michael Trusler

BEng

Mr Trusler is a Co-Founder (and was Co-CEO of the Company with Mike Davis until June 2020) and Non-Executive Director of the Company. Mr Trusler is also a member of the Nomination and Remuneration Committee. Prior to co-founding the Company, Mr Trusler worked as a Project Engineer at MCG Group, Leighton and Inten Constructions on large infrastructure projects.

Michael currently works as the Chief Operating Officer of Spot Rural Pty Ltd and is a non-executive director of Theladcollective Pty Ltd, Thomas.health Pty Ltd and Spot.family Pty Ltd.

Mr Trusler does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Trusler is considered by the Board (with Mr Trusler abstaining) to be a non-independent Director as a result of his significant shareholding in the Company, and having been Co-CEO of the Company until June 2020.

Mr Trusler has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

6.3 Board recommendation

On the basis of Mr Trusler's skills, qualifications and experience and his contributions to the Board's activities, the Board (other than Mr Trusler) unanimously recommends Shareholders vote in favour of the election of Mr Trusler.

6.4 Additional information

Resolution 3 is an ordinary resolution.

7. Resolution 4 – Election of Director - George Rolleston

7.1 General

The background to Resolution 4 is summarised in Section 5.1.

George Rolleston is a Non-Executive Director and was first appointed as a Director in August 2014.

Accordingly, Mr Rolleston retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 4.

7.2 George Rolleston

MAPPFin BBus(Law)

Mr Rolleston is a Non-Executive Director of the Company and is also a member of both the Audit and Risk Committee and the Nomination and Remuneration Committee.

Mr Rolleston has over 15 years' experience in the financial services industry and as an entrepreneur.

Mr Rolleston is the founder and managing director of Asset Growth Fund Ltd, based in Melbourne. Mr Rolleston is currently a director of MHM Automation Limited (NZX: MHM), Travlr Pty Ltd, Matrix Security Group, Suubee Pty Ltd, Asset Growth Fund Pty Ltd and Spaceships Australia Pty Ltd.

Mr Rolleston does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Rolleston is considered by the Board (with Mr Rolleston abstaining) to be a non-independent Director as a result of his significant shareholding in the Company.

Mr Rolleston has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

7.3 Board recommendation

On the basis of Mr Rolleston's skills, qualifications and experience and his contributions to the Board's activities, the Board (other than Mr Rolleston) unanimously recommends Shareholders vote in favour of the election of Mr Rolleston.

7.4 Additional information

Resolution 4 is an ordinary resolution.

8. Resolution 5 – Election of Director - Rob Phillipot

8.1 General

The background to Resolution 5 is summarised in Section 5.1.

Rob Phillipot is a Non-Executive Director and was first appointed as a Director in January 2021, after the Company was admitted to the Official List of ASX.

Accordingly, Mr Phillipot retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 5.

8.2 Rob Phillipot

BComm, BPD (Hons), MBldg, GAICD

Mr Phillipot is a Non-Executive Director of the Company and is also a member of both the Audit and Risk Committee and the Nomination and Remuneration Committee.

Mr Phillipot co-founded Aconex in 2000, which provides collaboration solutions for construction teams. Aconex was acquired by Oracle in 2018 and Mr Phillipot stayed with Oracle for over 2 years, leading global product strategy. Mr Phillipot now has a venture fund, Gravel Road Ventures, that focuses on early-stage technology and, in particular, construction tech. He was a director of Aconex limited (ASX:ACX) from 2014 to 2018, is a director of Scotch College Inc and Versatile Inc and is also a director of a number of private businesses.

Mr Phillipot does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Phillipot is considered by the Board (with Mr Phillipot abstaining) to be an independent Director. Mr Phillipot is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Phillipot has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

8.3 Board recommendation

On the basis of Mr Phillipot's skills, qualifications and experience and his contributions to the Board's activities, the Board (other than Mr Phillipot) unanimously recommends Shareholders vote in favour of the election of Mr Phillipot.

8.4 Additional information

Resolution 5 is an ordinary resolution.

9. Resolution 6 – Election of Director - Joycelyn Morton

9.1 General

The background to Resolution 6 is summarised in Section 5.1.

Joycelyn Morton is a Non-Executive Director and was first appointed as a Director in July 2021, after the Company was admitted to the Official List of ASX.

Accordingly, Ms Morton retires at this Meeting and, being eligible and offering herself for election, seeks election pursuant to Resolution 6.

9.2 Joycelyn Morton

BEc, FCA, FCPA, FIPA, FGIA, FAICD

Ms Morton is a Non-Executive Director of the Company and is also Chair of the Audit and Risk Committee.

Ms Morton has an extensive business and accounting background and has worked in a number of senior financial roles both in Australia and internationally, with particular expertise in taxation. Ms Morton is a Non-executive Director of Argo Investments Ltd (ASX:ARG) (since 2012), Argo Global Listed Infrastructure Ltd (ASX:ALI) (since 2015), and Beach Energy Ltd (ASX:BPT) (since 2018). She was previously a Non-executive Director of ASX listed Thorn Group Ltd (ASX:TGA) (2011 to 2018) and Invocare Ltd (ASX:IVC) (2015 to 2018). Joycelyn is also a Non-executive Director of ASC Pty Ltd (since 2017) and was a Non-executive Director of Snowy Hydro Ltd (2012 to 2021), both are government business enterprises. She is currently Chair of the Salvation Army Red Shield Doorknock Appeal for the Greater Sydney region.

Ms Morton does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Ms Morton is considered by the Board (with Ms Morton abstaining) to be an independent Director. Ms Morton is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Ms Morton has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a Director.

9.3 Board recommendation

On the basis of Ms Morton's skills, qualifications and experience and her contributions to the Board's activities, the Board (other than Ms Morton) unanimously recommends Shareholders vote in favour of the election of Ms Morton.

9.4 Additional information

Resolution 6 is an ordinary resolution.

10. Resolution 7 – Approval of 10% Placement Capacity

10.1 Background

Listing Rule 7.1A provides that an eligible entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital through placements over a 12 month period after the annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 7 seeks Shareholder approval by way of a special resolution to provide the Company the ability to issue Equity Securities under the 10% Placement Capacity during the 10% Placement Period (refer to Section 10.2(f) below).

If Shareholders approve Resolution 7, the number of Equity Securities to be issued under the 10% Placement Capacity will be determined in accordance with the formula set out in Listing Rule 7.1A.2 (refer to Section 10.2(c) below).

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

10.2 Listing Rule 7.1A

(a) Is the Company an eligible entity?

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and

has a market capitalisation of approximately \$34.55 million, based on the closing price of Shares on 22 October 2021.

If on the date of the Meeting, the Company's market capitalisation exceeds \$300 million or it has been included in the S&P/ASX 300 Index, this Resolution 7 will no longer be effective and will be withdrawn.

(b) What Equity Securities can be issued?

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities; Shares.

(c) How many Equity Securities can be issued?

Listing Rule 7.1A.2 provides that under the approved 10% Placement Capacity, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

A is the number of Shares on issue at the commencement of the relevant period:

(A) plus the number of fully paid Shares issued in the relevant period:

- (1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);
- (2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;
- (3) under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and

- (4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;
- (B) plus the number of partly paid shares that became fully paid in the relevant period; and
- (C) less the number of fully paid Shares cancelled in the relevant period.

Note that 'A' has the same meaning in Listing Rule 7.1 when calculating the Company's 15% annual placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement to issue has not subsequently been approved by Shareholders under Listing Rule 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the volume weighted average price (**VWAP**) of the Equity Securities traded on ASX in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,

(Minimum Issue Price).

For the purposes of this Notice, "**Trading Day**" means a day determined by ASX to be a trading day and notified to market participants as such.

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Capacity under Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier to occur of:

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date on which the Company receives Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

(g) What is the effect of Resolution 7?

The effect of Resolution 7 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

10.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Capacity:

(a) Final date for issue

The Company will only issue the Equity Securities under the 10% Placement Capacity during the 10% Placement Period (refer to Section 10.2(f) above).

Shareholder approval of the 10% Placement Capacity will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(b) Minimum issue price

Where the Company issues Equity Securities under the 10% Placement Capacity, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 10.2(e) above).

(c) Purposes of issues under 10% Placement Capacity

The Company may seek to issue Equity Securities under the 10% Placement Capacity for cash consideration in order to raise funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) Risk of economic and voting dilution

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the approval under Listing Rule 7.1A; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table.

The below table shows the potential dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 10.2(c)) as at the date of the Notice (**Variable A**), with:

- (iii) two examples where Variable A has increased, by 50% and 100%; and
- (iv) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.1325 50% decrease in Issue Price	\$0.265 Issue Price	\$0.530 100% increase in Issue Price
Current Variable A 106,160,383 Shares	10% Voting Dilution	10,616,038 Shares	10,616,038 Shares	10,616,038 Shares
	Funds raised	\$1,406,625	\$2,813,250	\$5,626,500
50% increase in current Variable A 159,240,575 Shares	10% Voting Dilution	15,924,057 Shares	15,924,057 Shares	15,924,057 Shares
	Funds raised	\$2,109,938	\$4,219,875	\$8,439,750
100% increase in current Variable A 212,320,766 Shares	10% Voting Dilution	21,232,077 Shares	21,232,077 Shares	21,232,077 Shares
	Funds raised	\$2,813,250	\$5,626,500	\$11,253,000

Notes:

1. The table has been prepared on the following assumptions:
 - (a) The issue price is the current market price (\$0.265), being the closing price of the Shares on ASX on 22 October 2021, being the latest practicable date before this Notice was signed.
 - (b) Variable A is 106,160,383 comprising the number of Shares currently on issue. This assumes that the Company has not issued any Shares in the relevant period prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
 - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
 - (d) No convertible securities are exercised or converted into Shares before the

date of the issue of the Equity Securities.

- (e) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares.
- 2. The number of Shares on issue (ie Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- 3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- 4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- 5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(f) **Issues in the past 12 months**

This is the first time the Company has sought approval under Listing Rule 7.1A. It therefore has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.2 in the relevant period preceding the Meeting.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

10.4 Additional information

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders eligible to vote.

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

11. Resolution 8 - Approval of Employee Securities Incentive Plan

11.1 General

Resolution 8 seeks Shareholder approval for the adoption of an employee incentive plan (**Plan**) in accordance with Listing Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of the key terms and conditions is in Schedule 1.

Eligible persons under the Plan includes any Directors (including Non-Executive Directors), however separate Shareholder approval will be required for any participation in the Plan by Directors.

Executive remuneration at the Company is determined by the Company and approved by the Board, taking into consideration relevant market practices and the circumstances of the Company, on an annual basis.

It is the view of the Board that it is in the interests of shareholders for selected executives and other eligible employees and contractors to receive part of their remuneration in the form of equity.

The Plan represents a modernisation of the available equity instruments and terms, aligned with current regulations and market best-practices. Equity interests are designed to form a significant component of variable remuneration for executives by facilitating long term variable remuneration (LTVR).

It is the view of the Board that the holding of such equity creates alignment between shareholder interests and the interests of the participants. The purpose of the Plan is to ensure that the Company has appropriate mechanisms to continue to attract, motivate and retain the services of selected executives, Directors and other employees and eligible contractors who are of a high calibre and to improve the longer-term performance of the Company. The Plan is designed to align the remuneration of the participants in the Plan with the long-term interests of Shareholders. The alignment of interests is important in ensuring that participants in the Plan are focused on achieving particular milestones, as determined by the Board.

The Board seeks to ensure that the grants to the participants under the Plan are made at a level that will appropriately position remuneration outcomes when compared to the market, in accordance with the Company's remuneration policies, and appropriate to the circumstances

of the Company at the time. The Remuneration Committee and the Board intend to obtain independent expert advice from time to time to support this objective.

11.2 Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the Plan from those set out in this Notice in Schedule 1.

If Resolution 8 is passed, the Company will be able to issue Equity Securities under the Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relation with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking Shareholder approval for the proposed issue of the CEO Performance Rights pursuant to the Plan under Resolution 10 and the Director Options pursuant to the Plan under Resolution 11(a) and (b).

If Resolution 8 is not passed, the Company will not be able to adopt the Plan.

11.3 Specific information required by Listing Rule 7.2, exception 13(b)

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) A summary of the material terms of the Plan is in Schedule 1.
- (b) This is the first time the Company is seeking Shareholder approval of the Plan and no Equity Securities have been issued under the Plan as at the date of this Notice.
- (c) The maximum number of Equity Securities proposed to be issued under the Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 8 is 10,616,038. This number comprises 10% of the Company's Equity Securities currently on issue.
- (d) A voting exclusion statement is included in the Notice.

11.4 Board recommendation

Resolution 8 is an ordinary resolution.

The Board unanimously recommends Shareholders vote in favour of Resolution 8.

12. Resolution 9 - Approval of potential termination benefits under the Plan

12.1 General

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained. Accordingly, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with Resolution 9.

If Resolution 9 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the Plan.

12.2 Part 2D.2 of the Corporations Act

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 8, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

As noted above, under the terms of the Plan and subject to the Listing Rules, the Board possesses the discretion to vary the terms or conditions of the Plan Securities.

Notwithstanding the foregoing, without the consent of the participant in the Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and

- (b) Plan Securities at the time of their leaving.

12.3 Valuation of the termination benefits

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

12.4 Additional information

Resolution 9 is conditional on the passing of Resolution 8. If Resolution 8 is not approved at the Meeting, Resolution 9 will not be put to the Meeting.

Resolution 9 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 9 due to their potential personal interests in the outcome of the Resolution.

13. Resolution 10 - Approval of issue of CEO Performance Rights

13.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue Performance Rights (**CEO Performance Rights**) to the Company's Chief Executive Officer and Executive Director, Mike Davis (or his nominees).

The number of CEO Performance Rights to be issued will be calculated using the following formula:

$$N = \frac{80\% \times TFR}{5\text{-Day VWAP}}$$

Where:

N = The number of CEO Performance Rights to be issued

TFR = The total fixed remuneration of Mr Davis as at the date of issue of the CEO Performance Rights

5-Day VWAP = The VWAP of Shares over 5 consecutive Trading Days on which trades of Shares were recorded on ASX before the financial accounts for the financial year ending 30 June 2022 are approved by the Board

By way of illustration only, the table below shows the number of CEO Performance Rights that may be issued on the basis of the current TFR (\$302,500), with the "Assumed 5-Day VWAP" calculated as follows:

- (a) one example based on the closing Share price since the Company's admission to the official list of ASX (**Lowest Price**);
- (b) one example based on the highest closing Share price since the Company's admission to the official list of ASX (**Highest Price**); and
- (c) one example based on the closing Share price on 22 October 2021, being the latest practicable date before the finalisation of the Notice.

	Assumed 5-Day VWAP	Number of CEO Performance Rights
Lowest Price	\$0.195	1,241,025
Highest Price	\$0.425	569,411
Latest Price	\$0.265	913,207

The CEO Performance Rights will vest as follows, subject and conditional on Mike Davis continuing to be employed or otherwise engaged by the Company or any of its subsidiaries at the time all - the Milestones are satisfied. Both the Revenue Milestone and the Time Based Milestone must be satisfied in order for the relevant CEO Performance Rights to vest:

Revenue Milestone	Time Based Milestone
<p>If the Contractor Subscription Revenue for the financial year ending 30 June 2022 is:</p> <ul style="list-style-type: none"> (a) \$2,564,177 (representing 75% growth in the Contractor Subscription Revenue from the financial year ended 30 June 2021): 100% of the CEO Performance Rights will vest; (b) \$2,395,674 (representing 63.5% growth in the Contractor Subscription Revenue from the 	<p>One third of the CEO Performance Rights will vest on each of the following dates:</p> <ul style="list-style-type: none"> (a) the date of issue of the CEO Performance Rights; (b) 12 months after the date of issue of the CEO Performance Rights; and (c) 24 months after the date of issue of the CEO Performance Rights.

Revenue Milestone	Time Based Milestone
financial year ended 30 June 2021): 80% of the CEO Performance Rights will vest; and (c) an amount between \$2,395,675 and \$2,564,176 resulting in a pro rata proportion of the CEO Performance Rights vesting.	

For the purposes of the Revenue Milestone, "Contractor Subscription Revenue" means the "contractor revenue" as reported in the Company's annual audited financial report for the financial year ending 30 June 2022.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue of the CEO Performance Rights seeks to align the efforts of Mike Davis in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Performance Rights is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these CEO Performance Rights to continue to attract and maintain highly experienced and qualified executives in a competitive market.

The proposed issue of the CEO Performance Rights is intended as a single-year strategy for FY22 as part of the remuneration package of Mike Davis, and is particularly intended to incentivise Mr Davis during the Company's high-growth phase and while the Company is focusing on its Contractor Subscription Revenue growth as a priority.

Any equity incentive portions of Mike Davis' remuneration for future financial years will be ascertained by the Board as and when appropriate and put to Shareholders for approval.

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 10.14 for the issue of the CEO Performance Rights under the Plan to Mike Davis or his nominees.

13.2 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of its Shareholders:

- (a) a director of the entity (Listing Rule 10.14.1);
- (b) an associate of a person referred to in Listing Rule 10.14.1 (Listing Rule 10.14.2); and
- (c) a person whose relationship with the entity or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by Shareholders.

The proposed issued of the CEO Performance Rights falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mike Davis elects for the CEO Performance Rights to be granted to his nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 10 seeks the required Shareholder approvals to the proposed issue under and for the purposes of Listing Rule 10.14. As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

The effect of Shareholders passing Resolution 10 will be to allow the Company to issue the CEO Performance Rights.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the CEO Performance Rights, and the Company will have to consider alternative commercial means to incentivise Mike Davis as part of his remuneration package.

13.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the CEO Performance Rights:

- (a) The CEO Performance Rights will be issued under the Plan to Mike Davis (or his nominees).
- (b) Mike Davis is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the CEO Performance Rights are issued to a nominee of Mike Davis, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) The number of CEO Performance Rights to be issued to Mike Davis (or his nominees) will be determined in accordance with the formula in Section 13.1.
- (d) The current total annual remuneration package for Mike Davis as at the date of this Notice is comprised of annual fixed remuneration of \$302,500 (inclusive of superannuation). Mr Davis is entitled to a cash bonus commencing from 1 July 2021 of 25% of his base salary, made up 50% for meeting or exceeding a Board agreed EBITDA budget for the financial year and 50% for role specific performance measures agreed by the Board.
- (e) No Equity Securities have previously been issued under the Plan to Mike Davis.
- (f) The CEO Performance Rights will be issued on the terms and conditions in Schedule 2.
- (g) The Board considers that Performance Rights, rather than Shares or Options, are an appropriate form of incentive because they reward the CEO for achievement of sustained growth in the value of the Company.
- (h) The Company has valued the CEO Performance Rights at a total of \$242,000. This valuation is calculated based on the assumptions that all vesting conditions are satisfied and the TFR remains at \$302,500. The number of CEO Performance Rights to be issued is based on 80% of the TFR, divided by the 5-Day VWAP as described in Section 13.1
- (i) The CEO Performance Rights will be issued as soon as practicable following the Board approving the financial accounts for the financial year ending 30 June 2022 and ascertaining to what extent the Revenue Milestone has been satisfied, and in any event not later than three years after the Meeting.

- (j) The CEO Performance Rights have an issue price of nil as they will be issued as part of the remuneration package of Mike Davis.
- (k) A summary of the material terms of the Plan is in Schedule 1.
- (l) No loan will be provided in relation to the issue of the CEO Performance Rights.
- (m) Details of any Securities issued under the Plan 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 Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the Resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

13.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 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.

The proposed issue of the CEO Performance Rights constitutes giving a financial benefit to related parties of the Company.

The Board (with Mike Davis abstaining) considers that issue of the CEO Performance Rights constitutes 'reasonable remuneration' in the circumstances, and therefore falls within the scope of the exception in section 211 of the Corporations Act.

13.5 Additional information

Resolution 10 is an ordinary resolution.

The Board (with Mike Davis abstaining) unanimously recommends that Shareholders vote in favour of Resolution 10.

14. Resolution 11(a) and (b) - Approval of issue of Director Options

14.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue 1,815,556 Options (**Incentive Options**) to Rob Phillpot and Joycelyn Morton or their respective nominees, as follows:

Directors	Incentive Options
Rob Phillipot	1,388,889
Joycelyn Morton	426,667
TOTAL	1,815,556

As outlined in Section 13.1 above, the proposed issue seeks to align the efforts of the Directors in seeking to achieve growth of the Share price and in the creation of Shareholder value. In addition, the Board also believes that incentivising with Incentive Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Incentive Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Incentive Options are subject to time-based vesting conditions. These vesting conditions are outlined in the terms and conditions of the Incentive Options in Schedule 3.

Resolution 11(a) and (b) seek Shareholder approval pursuant to Listing Rule 10.14 for the issue of the Incentive Options under the Plan to Rob Phillipot and Joycelyn Morton or their respective nominees.

14.2 Listing Rule 10.14

A summary of Listing Rule 10.14 is in Section 13.2.

The proposed issued of the Incentive Options falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Rob Phillipot and/or Joycelyn Morton elects for the Incentive Options to be granted to their nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 11(a) and (b) seek the required Shareholder approvals to the proposed issues under and for the purposes of Listing Rule 10.14. As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 11(a) and (b) are passed, the Company will be able to proceed with the issue of Incentive Options to Rob Phillipot and/or Joycelyn Morton (or their respective nominees) in the proportions listed above in Section 14.1.

If Resolution 11(a) and (b) are not passed, the Company will not be able to proceed with the issue of the Incentive Options to the Rob Phillipot and/or Joycelyn Morton (or their respective nominees) (as applicable) and the Company will consider other forms of remuneration, including by the payment of cash, subject to the requirements of the Constitution, Corporations Act and Listing Rules.

14.3 Specific information required by Listing Rule 10.15

Under and for the purposes of Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Incentive Options:

- (a) The Incentive Options will be issued under the Plan to Rob Phillipot and Joycelyn Morton (or their respective nominees).

- (b) Rob Phillpot and Joycelyn Morton are related parties of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the Incentive Options are issued to a nominee of Rob Phillpot and/or Joycelyn Morton, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) The maximum number of Incentive Options to be issued under Resolution 11(a) and (b) is 1,815,556, in the proportions specified in Section 14.1 above.
- (d) The current total remuneration package for Rob Phillpot and Joycelyn Morton as at the date of this Notice are set out below:

Directors	Salary and fees (inclusive of superannuation)
Rob Phillpot	\$60,500
Joycelyn Morton	\$82,500

- (e) No Securities have previously issued under the Plan to Rob Phillpot or Joycelyn Morton.
- (f) The Incentive Options will be exercisable at \$0.36 each on or before 12 January 2026 in the case of Rob Phillpot's Incentive Options, and 14 July 2024 in the case of Joycelyn Morton's Incentive Options and will otherwise be issued on the terms and conditions in Schedule 3.
- (g) The Board considers that Incentive Options, rather than Shares, are an appropriate form of incentive because the Incentive Options granted will generally only be of benefit if the Directors perform to the level whereby the value of the Company increases sufficiently to warrant exercising the Incentive Options. The issue of the Incentive Options will therefore further align the interests of the Directors with Shareholders. If all Incentive Options are exercised, it would also result in a cash injection to the Company of \$653,600 (assuming no cashless-exercise facility is utilised).
- (h) A valuation of the Incentive Options is in Schedule 4, with a summary for each Director below:

Director	Value of Incentive Options
Rob Phillpot	\$158,750
Joycelyn Morton	\$36,779

- (i) The Incentive Options will be issued as soon as practicable following the receipt of approval at the Meeting, and in any event, no later than three years after the date of the Meeting.
- (j) The Incentive Options will have an issue price of nil as they will be issued as part of the remuneration packages of Rob Phillpot and Joycelyn Morton .

- (k) A summary of the material terms of the Plan is in Schedule 1.
- (l) No loan will be provided in relation to the issue of the Incentive Options.
- (m) Details of any Securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (n) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after any or all of Resolution 11(a) and (b) are approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

14.4 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is in Section 13.4 above.

The grant of the Incentive Options constitutes giving a financial benefit and Rob Phillipot and Joycelyn Morton are related parties of the Company by virtue of being Directors.

The Board considers that the issue of the Incentive Options constitutes 'reasonable remuneration' in the circumstances, and therefore falls within the scope of the exception in section 211 of the Corporations Act.

14.5 Additional information

Resolution 11(a) or (b) are ordinary resolutions.

The Board (with Rob Phillipot and Joycelyn Morton abstaining) unanimously recommends that Shareholders vote in favour of Resolution 11(a) and (b).

Schedule 1 Summary of Employee Incentive Plan

A summary of the key terms of the Plan is below:

1. **(Eligible Participant):** Eligible Participant means a person that:
 - (a) is an "eligible participant" (as that term is defined in ASIC Class Order [CO 14/1000]) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order [14/1000]); and
 - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.
2. **(Purpose):** The purpose of the Plan is to:
 - (a) assist in the reward, retention and motivation of Eligible Participants;
 - (b) link the reward of Eligible Participants to Shareholder value creation; and
 - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
4. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant

by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in

and/or benefit from any transaction arising from or in connection with the change of control event.

12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
13. **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction. For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
16. **(Amendment of Plan):** Subject to the following, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
17. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants. If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Schedule 2 Terms and conditions of CEO Performance Rights

The CEO Performance Rights will be issued on the following terms and conditions:

1. Entitlement

Each Performance Right entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon conversion of the Performance Right (once vested).

2. Plan

The Performance Rights will be issued under the Company's employee securities incentive plan (**Plan**) for nil cash consideration. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

3. Expiry Date

The Performance Rights will expire on the earlier to occur of:

- (a) five years from the date of issue; and
- (b) the Performance Rights lapsing and being forfeited under the Plan or these terms and conditions.

4. Vesting Conditions

Subject to these terms and conditions, the Performance Rights will vest as follows, subject and conditional on Mike Davis continuing to be employed or otherwise engaged by the Company or any of its subsidiaries at the time all times until the Milestones are satisfied. Both the Revenue Milestone and the Time Based Milestone must be satisfied in order for the relevant CEO Performance Rights to vest:

Revenue Milestone	Time Based Milestone
<p>If the Contractor Subscription Revenue for the financial year ending 30 June 2022 is:</p> <p>(d) \$2,564,177 (representing 75% growth in the Contractor Subscription Revenue from the financial year ended 30 June 2021): 100% of the CEO Performance Rights will vest;</p> <p>(e) \$2,395,674 (representing 63.5% growth in the Contractor Subscription Revenue from the financial year ended 30 June 2021):</p>	<p>One third of the CEO Performance Rights will vest on each of the following dates:</p> <p>(g) the date of issue of the CEO Performance Rights;</p> <p>(h) 12 months after the date of issue of the CEO Performance Rights; and</p> <p>(i) 24 months after the date of issue of the CEO Performance Rights.</p>

Revenue Milestone	Time Based Milestone
80% of the CEO Performance Rights will vest; and (f) an amount between \$2,395,675 and \$2,564,176 resulting in a pro rata proportion of the CEO Performance Rights vesting.	

For the purposes of the Revenue Milestone, "Contractor Subscription Revenue" means the "contractor revenue" as reported in the Company's annual audited financial report for the financial year ending 30 June 2022.

5. **Exercise Price**

The Exercise Price of each vested Performance Right is nil.

6. **Conversion**

Upon vesting, each Performance Right will, at the Participant's election, convert into one Share. The Participant may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

7. **Timing of issue of Shares and quotation of Shares on exercise**

As soon as practicable after the issue of a Notice of Exercise by the holder, the Company will:

- (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
- (b) if required, issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;
- (c) if required and subject to paragraph 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) in the event the Company is admitted to the official list of ASX, do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules.

8. **Restrictions on transfer of Shares**

If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

9. **Shares issued on exercise**

All Shares issued upon the exercise of Performance Rights will upon issue rank pari passu in all respects with the then Shares of the Company.

10. **Transfer**

The Performance Rights are not transferable unless they have vested and only with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

11. **Quotation**

No application for quotation of the Performance Rights will be made by the Company.

12. **Voting rights and dividends**

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

13. **Entitlement to capital return**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Performance Rights without exercising the Performance Rights.

14. **Participation in entitlements and bonus issues**

Subject to the rights under paragraphs 15 and 16 below, during the currency of any Performance Rights and prior to their exercise, the holder is not entitled to participate in any new issue of Shares of the Company such as bonus issues and entitlement issues, as a result of their holding of the Performance Rights.

15. **Adjustment for Bonus Issue**

- (a) If Shares are issued by the Company pro rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of the Performance Rights is entitled, upon exercise of the Performance Rights, to receive, in addition to the Shares in respect of which the Performance Rights are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a Shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.
- (b) Additional Shares to which the holder of the Performance Rights becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Performance Rights are exercised for the purposes of subsequent applications of paragraph 15(a) above, and any adjustments which, after the time just mentioned, are made under paragraph 16 below to the number of Shares, will also be made to the additional Shares.

16. **No rights to return of capital**

The Performance Rights do not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

17. **Rights on winding up**

The Performance Rights do not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

18. **Reorganisation of capital**

If there is a reorganisation of the issued Share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

19. **Leaver**

You will become a "Leaver" when you cease employment, engagement or office with the Company or any of its subsidiaries. Where you become a Leaver, all unvested Performance Rights will automatically be forfeited by you, unless the Board otherwise determines in its discretion to permit some or all of the Performance Rights to vest.

20. **Change of Control**

If a Change of Control Event (as defined in the Plan) occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Performance Rights will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

Schedule 3 Terms and conditions of Incentive Options

The terms and conditions of the Incentive Options are as follows:

1. **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option (once vested).
2. **(Issue Price):** No cash consideration is payable for the issue of the Options.
3. **(Exercise Price):** The Options have an exercise price of \$0.36 per Option (**Exercise Price**).
4. **(Vesting Conditions):** The Options have the vesting conditions specified below:

Director	Tranche	Number Options	of	Vesting Condition	Expiry Date
Rob Phillpot	Tranche 1	231,482		Continued engagement as a director of the Company at all times until 19 November 2021	12 January 2026
	Tranche 2	231,481		Continued engagement as a director of the Company at all times until 12 January 2022	12 January 2026
	Tranche 3	462,963		Continued engagement as a director of the Company at all times until 12 January 2023	12 January 2026
	Tranche 4	462,963		Continued engagement as a director of the Company at all times until 12 January 2024	12 January 2026
Joycelyn Morton	Tranche 5	213,333		Continued engagement as a director of the Company at all times until 19 November 2021	14 July 2024
	Tranche 6	213,334		Continued engagement as a director of the Company at all	14 July 2024

			times until 14 July 2022	
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5. **(Expiry Date):** The Options expire at 5.00 pm (AEST) on the relevant date specified in paragraph 4 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. If this falls during a “Blackout Period” as defined in the Company’s securities trading policy, the Expiry Date will be 5pm (AEST) on the date 10 Business Days (as defined in the ASX Listing Rules) after the last day of that Blackout Period.
6. **(Exercise Period):** The Options are exercisable at any time after it has vested and prior to the Expiry Date.
7. **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX.
8. **(Transferability of the Options):** The Options are not transferable.
9. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

10. **(Cashless exercise of Options):** The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 Trading Days immediately preceding that given date.

11. **(Timing of issue of Shares on exercise):** Within 5 Business Days (as defined in the ASX Listing Rules) after the Exercise Date the Company will:
 - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
 - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act.
12. **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph 11(b), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their

issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

13. **(Timing of application for quotation)** If admitted to the official list of ASX at the time, the Company must apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options within 10 Business Days (as defined in the ASX Listing Rules) of the end of the quarter in which the exercise occurred, or within such other time period as required by the Listing Rules.
14. **(Takeovers prohibition):**
 - (a) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
15. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
16. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
17. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
18. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
19. **(Entitlement to dividends):** The Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Options.
20. **(Entitlement to capital return):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Options without exercising the Options.
21. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
22. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the

Option holder had exercised the Option before the record date for the bonus issue;
and

- (b) no change will be made to the Exercise Price.
23. **(Voting rights):** The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.
 24. **(Plan):** The Options are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.
 25. **(Constitution):** Upon the issue of Shares on exercise of the Options, the holder agrees to be bound by the Company's Constitution.
 26. **(Cessation of employment):** Where the holder (or the person who is entitled to be registered as the holder) of the Options is no longer employed, or their engagement is discontinued (for whatever reason), with the Company, any unexercised Options will automatically lapse and be forfeited on the date that is 3 months from the cessation of that engagement, unless the Board otherwise determines in its sole discretion.

Schedule 4 Valuation of Incentive Options

The Incentive Options to be issued to Rob Phillpot and Joycelyn Morton (or their respective nominees) pursuant to Resolution 11(a) and (b) have been valued using the Black & Scholes valuation model as follows:

1. Key inputs used to value the Options

Description	Options issued to Rob Phillpot	Options issued to Joycelyn Morton	Explanation
Tranches	1 - 4	5 - 6	See terms and conditions in Schedule 3
Exercise Price	\$0.36	\$0.36	See terms and conditions in Schedule 3
Risk Free Rate	0.56%	0.19%	Based on the interpolated yield of two (0.05%), three (0.27%) and five (0.79%) year Australian Government bonds as at 5 October 2021 over the time to maturity.
Time to Maturity	4.15 years	2.65 years	The time to maturity is calculated as the period of time from the grant date to the expected exercise date for each tranche.

2. Valuation of the Options

Tranche	Vesting date	Expiry date	Value per Option	Number of Options	Total value of Options per Tranche
Tranche 1	19 November 2021	12 January 2026	\$0.1143	231,482	\$26,458
Tranche 2	12 January 2022	12 January 2026	\$0.1143	231,481	\$26,458
Tranche 3	12 January 2023	12 January 2026	\$0.1143	462,963	\$52,917

Tranche	Vesting date	Expiry date	Value per Option	Number of Options	Total value of Options per Tranche
Tranche 4	12 January 2024	12 January 2026	\$0.1143	462,963	\$52,917
Tranche 5	19 November 2021	14 July 2024	\$0.0862	213,333	\$18,389
Tranche 6	14 July 2022	14 July 2024	\$0.0862	213,334	\$18,389



Felix Group Holdings Limited
ABN 65 159 858 509

FLX

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YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00am (AEDT) on Saturday, 27 November 2021.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Felix Group Holdings Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Felix Group Holdings Limited to be held virtually at <https://web.lumiagm.com/315680377> on Monday, 29 November 2021 at 9:00am (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 8, 10, 11a and 11b (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 8, 10, 11a and 11b are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 8, 10, 11a and 11b by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain		For	Against	Abstain
Resolution 1	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Election of Director - Michael Bushby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Resolution 3	Election of Director - Michael Trusler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of Director - George Rolleston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Election of Director - Rob Phillipot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Resolution 6	Election of Director - Joycelyn Morton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11 - Approval of issue of Director Options			
Resolution 7	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					(b)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

