

CLIME INVESTMENT MANAGEMENT LIMITED  
ABN 37 067 185 899



# NOTICE OF VIRTUAL ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT  
&  
PROXY FORM

Date of Meeting  
Thursday, 2 December 2021

Time of Meeting  
10:00 AM (AEDT)



**CLIME INVESTMENT MANAGEMENT LTD**  
**ABN 37 067 185 899**

## **Notice of Virtual Annual General Meeting**

Clime Investment Management Ltd ACN 067 185 899 (**Clime** or the **Company**) gives notice that its 2021 **AGM of Shareholders** will be held at **10.00 am AEDT on Thursday, 2 December 2021**.

In light of the restrictions on public gatherings in response to the COVID-19 pandemic, Shareholders of the Company will be able to attend this year's Annual General Meeting virtually and will be able to participate in the AGM online accessible at <https://web.lumiagm.com/319-883-957> as per the details below. To do this you will need a desktop or mobile/tablet device with internet access.

Further information on how to participate in the Annual General Meeting electronically is set out in this **Notice**. The Directors of the Company encourage Shareholders to participate in the AGM via the online platform. While Shareholders will be able to vote online during the AGM, Shareholders are encouraged to lodge a **Proxy Form** ahead of the AGM, even if they intend to participate in the AGM online. If you are unable to attend the AGM, you may wish to appoint a proxy by completing and returning the Proxy Form enclosed with this Notice.

Shareholders and proxyholders will have the ability to ask questions during the AGM via the online platform, and to hear all of the discussion, subject to connectivity of their device. Shareholder/proxyholder participation (as relevant) in the AGM is possible by:

- online voting;
- appointment of a proxy; and
- submission of questions to the Company's share registry provider in advance of the AGM.

As noted above, due to current circumstances relating to COVID-19 and associated government-imposed restrictions on physical gatherings, there will be no physical meeting where Shareholders and proxies can attend in person.

Terms used but not defined in this document have the meaning given to them in the Glossary on page 25.

Copies of the presentations given at the AGM and the results of the AGM will be announced to the ASX and placed on the Company's website at <https://clime.com.au/about/clime-investment-management-limited/> in accordance with the timeframes prescribed by the ASX Listing Rules. The presentations delivered at, and the results of the AGM, will be available immediately prior to the AGM and following the AGM respectively.

## **ACCESSING NOTICE OF ANNUAL GENERAL MEETING MATERIALS**

In accordance with recent amendments made to the *Corporations Act 2001* (Cth) (**Corporations Act**) through the passing of the *Treasury Laws Amendment (2021 Measures No. 1) Bill 2021*, this Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link: <https://clime.com.au/about/clime-investment-management-limited/>.

## **HOW CAN SHAREHOLDERS ACCESS THE ANNUAL GENERAL MEETING?**

Shareholders and proxy holders will be able to participate in the AGM online by entering the URL into their browser: <https://web.lumiagm.com/319-883-957>



To participate in the AGM online, you can join the meeting by entering:

- (a) Your username, which is your Voting Access Code (VAC), which can be located on the first page of your proxy form or Notice of Meeting email.
- (b) Your password, which is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the [user guide](#) for their password details.
- (c) If you have been nominated as a third party proxy, please contact Boardroom on 1300 737 760.

Shareholders and proxyholders will be able to view the AGM live, ask questions, and cast direct votes at the appropriate times whilst the AGM is in progress.

More information regarding participating in the AGM online can be found by visiting the Company's ASX Market Announcement page or at the end of this Notice.

Online registration will open at 9:00 am AEDT on Thursday, 2 December 2021 (one hour before the AGM).

The meeting ID is **319-883-957**.

## **HOW CAN SHAREHOLDERS ASK QUESTIONS AT THE ANNUAL GENERAL MEETING?**

In accordance with the Corporations Act and the Company's policy, reasonable opportunity will be provided to Shareholders during the AGM to:

- (a) ask questions about or make comments on the management or performance of the Company, and on its 2021 Remuneration Report; and
- (b) ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company and the independence of the Auditor.

A Shareholder may also submit a written question to the Company's Auditor, Pitcher Partners, in relation to the content of the Auditor's report or the conduct of the audit in relation to the annual financial report for the year ended 30 June 2021. Questions must be submitted to the Company no later than 5:00pm AEDT on Thursday, 25 November 2021 in accordance with section 250PA(1) of the Corporations Act and can be submitted to the Company at [investorrelationsciw@clime.com.au](mailto:investorrelationsciw@clime.com.au) or sent to:

Clime Investment Management Limited  
C/- Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001

The questions submitted will be immediately forwarded to Pitcher Partners who will answer these questions at the AGM.

Shareholders who prefer to register questions in advance of the AGM are invited to do so. The Company will attempt to address the more frequently asked questions in the Chairman's address to the AGM.



## SUBMITTING VOTES PRIOR TO THE AGM

If Shareholders or proxy holders do not wish to vote online during the AGM, they may submit their votes by proxy before the AGM at <https://www.votingonline.com.au/ciwagm2021> (see page 9 for further information).

The deadline for submitting votes by this method and for appointing proxies for the AGM is 10:00 am AEDT on Tuesday, 30 November 2021.

If a Shareholder has voted prior to the AGM, but wishes to view the live webcast, they can visit <https://web.lumiagm.com/319-883-957>, as described earlier.

## BUSINESS TO BE CONSIDERED AT THE ANNUAL GENERAL MEETING

The business to be considered at the AGM is set out below. The Explanatory Memorandum and Proxy Form which accompany and form part of this Notice describe in more detail the matters to be considered at the AGM. Please consider this Notice, the Explanatory Memorandum and the Proxy Form in their entirety.

### A. CONSIDERATION OF FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Financial Report, the Director's Report and the Auditor's Report of the Company (and its controlled entities) as set out in the Company's 2021 Annual Report for the year ended 30 June 2021.

**Note:** *There is no requirement for Shareholders to approve these reports or vote on this item of business.*

### B. ITEMS FOR SHAREHOLDER APPROVAL

#### Resolution 1: Adoption of the Remuneration Report

To consider, and if thought fit, to pass the following Resolution as a non-binding advisory **Ordinary Resolution**:

*"That the Remuneration Report of the Company for the year ended 30 June 2021 be adopted in accordance with Section 250R(2) of the Corporations Act 2001 (Cth)."*

**Note:** *In accordance with section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the AGM when reviewing the Company's remuneration policies.*

Notwithstanding that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote **in favour** of this Resolution.

#### Voting exclusion statement for Resolution 1

The Company will disregard any votes cast on Resolution 1 by or on behalf of:

- (a) a member of the Company's **KMP**, the details of whose remuneration are included in the Company's Remuneration Report for the year ended 30 June 2021; or
- (b) a **Closely Related Party** of such a member.



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

- (a) the proxy form specifies the way the proxy is to vote; or
- (b) the vote is cast by the Chairman of the AGM and the appointment of the Chairman as proxy:
  - a. does not specify the way the proxy is to vote; and
  - b. expressly authorises the Chairman of the AGM to exercise the proxy even if the item is connected directly or indirectly with the remuneration of a member of the KMP.

It is noted that, in accordance with section 250BD(2) of the Corporations Act, a vote must not be cast on Resolution 1 as a proxy by a member of the KMP at the date of the AGM, or a Closely Related Party of such a member, unless it is cast as proxy for a person where the proxy form specifies the way the proxy is to vote on Resolution 1. This restriction on voting undirected proxies does not apply to the Chairman of the AGM where the proxy form expressly authorises the Chairman of the AGM to exercise undirected proxies even if the item is connected, directly or indirectly, with the remuneration of the KMP. The Chairman of the AGM intends to exercise undirected proxies in favour of Resolution 1.

#### **Resolution 2: Re-election of Mr. Ronni Chalmers as Director**

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

*“That **Mr. Ronni Chalmers**, who was appointed since the last general meeting and who retires from the office of Director in accordance with rule 6.2 of the Company’s Constitution and ASX Listing Rule 14.4, being eligible for re-election, be re-elected as a Director of the Company.”*

The Board (excluding Mr. Ronni Chalmers, who abstains from making a recommendation due to his personal interest in this Resolution) recommends that Shareholders vote in **favour** of this Resolution 2.

#### **Resolution 3: Re-election of Ms. Susan Wynne as Director**

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

*“That **Ms. Susan Wynne**, who was appointed since the last general meeting and who retires from the office of Director in accordance with rule 6.2 of the Company’s Constitution and ASX Listing Rule 14.4, being eligible for re-election, be re-elected as a Director of the Company.”*

The Board (excluding Ms. Susan Wynne, who abstains from making a recommendation due to her personal interest in this Resolution) recommends that Shareholders vote in **favour** of this Resolution 3.

#### **Resolution 4: Re-election of Dr. Michael Kollo as Director**

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

*“That **Dr. Michael Kollo**, who was appointed since the last general meeting and who retires from the office of Director in accordance with rule 6.2 of the Company’s Constitution and ASX Listing Rule 14.4, being eligible for re-election, be re-elected as a Director of the Company.”*

The Board (excluding Dr. Michael Kollo, who abstains from making a recommendation due to his personal interest in this Resolution) recommends that Shareholders vote in **favour** of this Resolution 4.



## Resolution 5: Re-election of Ms. Claire Bibby as Director

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

*“That **Ms. Claire Bibby**, who was appointed since the last general meeting and who retires from the office of Director in accordance with rule 6.2 of the Company’s Constitution and ASX Listing Rule 14.4, being eligible for re-election, be re-elected as a Director of the Company.”*

The Board (excluding Ms. Claire Bibby, who abstains from making a recommendation due to her personal interest in this Resolution) recommends that Shareholders vote in **favour** of this Resolution 5.

## Resolution 6: Increase in Non-Executive Director’s Fees

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 10.17, Rule 6.5 of the Company’s Constitution and for all other purposes, Shareholders approve the increase in the aggregate amount of fees that may be paid per annum to Non-Executive Directors, as a whole, from \$260,000 to \$300,000 (inclusive of statutory entitlements), effective from 1 January 2022.”*

Without limitation, Rule 6.5 of the Company’s Constitution and ASX Listing Rule 10.17 are relevant to this Resolution 6.

## Voting Exclusion Statement for Resolution 6

The Company will disregard any votes cast on Resolution 6 by, or on behalf of, a Director and any associate of a Director.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) it is cast by the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with a direction given to the Chairman of the AGM to vote on Resolution 6 as the Chairman of the AGM decides; or
- (c) it is cast by 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** or a person excluded from voting, on Resolution 6; and
  - (ii) the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

In addition, for the purposes of section 250BD(1) of the Corporations Act:

- (a) a vote must not be cast on Resolution 6 by a KMP or a closely Related Party of a KMP, acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 6. However, this voting exclusion does not apply if the KMP is the Chairman of the AGM acting as proxy and their appointment expressly authorises the Chairman of the AGM to exercise the proxy even if Resolution 6 is connected directly or indirectly with the remuneration of a member of the KMP; and



- (b) if you appoint the Chairman of the AGM as your proxy, and you do not direct your proxy how to vote on Resolution 6 on the Proxy Form, you will be expressly authorising the Chairman of the AGM to exercise your proxy even if Resolution 6 is connected directly or indirectly with the remuneration of a member of the KMP, which includes the Chairman of the AGM.

The Chairman of the AGM intends to vote all undirected proxies able to be voted, in **favour** of this Resolution 6.

### **Resolution 7: Ratification of prior issuance of Placement Shares**

To consider, and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue by the Company on 23 September and 6 October 2021 of a total of 4,435,484 **Shares**, at an issue price of \$0.62 per Share, which were issued in reliance on the Company’s available placement capacity under ASX Listing Rule 7.1 pursuant to a placement to institutional investors on the terms and conditions set out in the Explanatory Memorandum.”*

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

### **Voting exclusion statement for Resolution 7**

The Company will disregard any votes cast in favour of Resolution 7 by, or on behalf of a person or entities, who participated in the issuance of shares referred to in Resolution 7, or any Associate of those persons.

However, the Company will not disregard a vote cast in favour of Resolution 7 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with the directions given to the proxy or attorney to vote on Resolution 7 in that way; or
- (b) the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with a direction given to the Chairman to vote on Resolution 7 as the Chairman 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 Resolution 7; and
  - (ii) the holder votes on Resolution 7 in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Resolution 8: Approval of additional placement capacity under ASX Listing Rule 7.1A**

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

*“That for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Shares of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”*



## Voting exclusion statement for Resolution 8

The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the issue of Shares under ASX Listing Rule 7.1A (except a benefit solely by reason of being a Shareholder) or an Associate of that person(s).

However, the Company will not disregard a vote cast in favour of Resolution 8 by:

- (a) a person as proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with the directions given to the proxy or attorney to vote on Resolution 8 in that way; or
- (b) the Chairman of the AGM as proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with a direction given to the Chairman to vote on Resolution 8 as the Chairman 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 Resolution 8; and
  - (ii) the holder votes on Resolution 8 in accordance with directions given by the beneficiary to the holder to vote in that way.

The Board recommends that Shareholders vote in **favour** of Resolution 8.

## Resolution 9: Amendment to Constitution

To consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

*“That, pursuant to section 136(2) of the Corporations Act, the existing Constitution of the Company be amended in the manner as set out in the amended Constitution tabled at the meeting and signed by the Chair for identification with effect from the close of the meeting.”*

The Board recommends that Shareholders vote in **favour** of Resolution 9.

## OTHER BUSINESS

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders at the Meeting to ask questions about, or to make comment on, the reports, business, operations and management of the Company. Shareholders will have a reasonable opportunity to ask the Auditor, or their representative, questions relevant to the Company audit and preparation and content of the Auditor's Report.

## OTHER INFORMATION

The Explanatory Memorandum accompanies and forms part of this Notice. All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the AGM should consult their financial or legal adviser for assistance.



## ALL RESOLUTIONS TO BE CONSIDERED AT THE AGM WILL BE CONDUCTED BY POLL

As Shareholders are asked to participate virtually in the AGM, each Resolution considered at the AGM will be conducted by poll. Shareholders and proxy holders' votes may be given by online voting poll while the AGM is in progress (as described above) or Shareholders may vote by proxy prior to the AGM in accordance with the instructions provided on the Proxy Form, further details of which are set out below. The Board considers voting by poll to be in the interests of the Shareholders as a whole and ensures the views of as many Shareholders as possible are represented at the AGM.

## VOTING BY PROXY

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Shareholders and their proxies should be aware of the requirements under the Corporations Act, as they will apply to this AGM. Broadly:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chairman of the AGM, who must vote the proxies as directed.

You should seek professional advice if you need any further information on this issue.

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

- (a) a Shareholder entitled to attend and vote at the AGM has a right to appoint a proxy to attend and vote instead of the Shareholder. A proxy need not be a Shareholder and can be either an individual or a representative of a body corporate;
- (b) a Shareholder that is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes;
- (c) if an appointed proxy is not also the Chairman of the AGM, the proxy need not vote on a poll, however if the proxy does vote on a poll the proxy must vote as directed by the Shareholder. Where a poll is conducted and the proxy holder does not vote, the proxy appointment defaults to the Chairman of the AGM to vote as directed. If the appointed proxy is the Chairman of the AGM, the proxy must vote on a poll in the manner directed by the Shareholder.

Proxy Forms must be:

- (a) lodged online; or
- (b) delivered to the Company's share registry, Boardroom Pty Limited (by hand, post or facsimile as specified below),

not later than 10.00 am AEDT on Tuesday, 30 November 2021.

Online <https://www.votingonline.com.au/ciwagm2021>

Hand deliveries Boardroom Pty Limited  
Level 12, Grosvenor Place  
225 George Street, Sydney NSW 2000

Postal deliveries Boardroom Pty Limited  
GPO Box 3993, Sydney NSW 2001

Fax number for lodgement (02) 9290 9655



Proxies participating in the virtual AGM will need to contact Boardroom up to 24 hours prior to the AGM on 1300 737 760 to obtain their login details and password. Proxies are asked to log in online 15 minutes prior to the time designated for the commencement of the AGM.

## **PROXY FORM**

A Proxy Form has been enclosed with this Notice. Please read all instructions carefully prior to completing the Proxy Form.

## **UNDIRECTED PROXIES**

The Chairman of the AGM intends to vote undirected proxies (where he has been appropriately authorised) in favour of the Resolutions to be considered at the AGM, to the extent permitted by law. If a Shareholder appoints the Chairman of the AGM as their proxy, expressly or by default, and they do not direct the Chairman how to vote on a Resolution, by completing and returning the Proxy Form they will be expressly authorising the Chairman of the Meeting to exercise the proxy and vote as the Chairman sees fit on a Resolution, even if the Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

Any undirected proxy given to a Director (other than the Chairman), any Associate of a Director, or other member of the KMP or their Closely Related Parties for Resolutions connected directly or indirectly with the remuneration of KMP will not be cast, unless Shareholders specify how the proxy should vote on the Shareholder Proxy Form.

## **VOTING BY ATTORNEY**

A Shareholder may appoint an attorney to vote on their behalf. For an appointment to be effective for the AGM, the instrument effecting the appointment (or a certified copy of it) must be received by the Company no later than 10:00 am AEDT time on Tuesday, 30 November 2021.

## **CORPORATE REPRESENTATIVES**

A body corporate that is a Shareholder, or that has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements of section 250D of the Corporations Act. Written notice of the appointment, including any authority under which it is signed, must be provided to the Company no later than 10:00 am AEDT on Tuesday, 30 November 2021, unless it has previously been given to the Company.

## **ENTITLEMENT TO VOTE**

In accordance with Section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that for the purposes of the AGM all Shares will be taken to be held by the persons who held them as registered Shareholders at 7:00 pm AEDT on Tuesday, 30 November 2021. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote (by virtual means) at the AGM.

## **SCRUTINEER**

The Company's registrar, Boardroom Pty Limited will act as scrutineer for the poll conducted at the AGM.

If you choose to participate in the AGM, you will be able to view the AGM live, lodge a direct vote in real time and ask questions online. Shareholders participating in the AGM using the online platform will be able to cast votes and ask questions prior to commencement of the AGM (10.00 am AEDT on Thursday, 2 December 2021) and the closure of voting as announced by the Chairman during the AGM.



By order of the Board

A handwritten signature in black ink, appearing to read 'Biju', followed by a long horizontal line.

**Biju Vikraman**  
**Company Secretary**

1 November 2021



## EXPLANATORY MEMORANDUM

This Explanatory Memorandum accompanies the Notice of virtual AGM of the Company to be held at 10:00 am AEDT on Thursday, 2 December 2021.

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the Resolutions set out in, and should be read in conjunction with, the Notice.

### A. Consideration of Financial Statements and Reports

The Company's 2021 Annual Report, which includes the Financial Report and the Report of the Directors and of the Company's Auditor for the year ended 30 June 2021, is available at <https://clime.com.au/about/clime-investment-management-limited/>.

Printed copies of the 2021 Annual Report have only been mailed to those Shareholders who have elected to receive a printed copy. We encourage all Shareholders to reconsider the use of printed materials and encourage you to change your election to receive these electronically. Please update your preferences regarding election communications at <https://www.investorserve.com.au/>.

In accordance with section 317 of the Corporations Act, Directors of a public company are required to lay the Company's Financial Report, Directors' Report and Auditor's Report (together comprising the Annual Report) for the previous financial year before its Shareholders at its AGM. There is no requirement under the Corporations Act or the Constitution for a formal Resolution on this item of business and, as such, there will be no formal Resolution put to the AGM. However, Shareholders will be given a reasonable opportunity to ask questions about or make comments on the Company's Financial Report, the Directors' Report and Auditor's Report, and the management of the Company.

Meeting attendees are invited to direct questions to the Chairman in respect of any aspect of the Annual Report they wish to discuss. Representatives of the Company's Auditor, Pitcher Partners, will be present for discussion purposes on matters relevant to the audit.

There is no requirement for Shareholders to approve any of these reports.

### B. Ordinary business

#### Resolution 1: Adoption of Remuneration Report

Resolution 1 provides Shareholders the opportunity to vote on the Company's Remuneration Report.

Pursuant to section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to the vote at the AGM. The Remuneration Report is contained in the Directors' Report (within the Company's Annual Report) available at <https://clime.com.au/about/clime-investment-management-limited/>.

The vote on this Resolution 1 is advisory only and does not bind the Directors or the Company. However, the Company values Shareholders' feedback.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the AGM when reviewing the Company's remuneration policies. If 25% or more of the votes cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings of the Company, Shareholders will be required to vote at the second of those annual general meetings on a Resolution (a "spill Resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than a Managing Director) must stand for election.

At the Company's 2020 annual general meeting, the votes cast by members against the adoption of the Company's Remuneration Report were less than 25%.



A reasonable opportunity for discussion of, and comment on, the Remuneration Report will be provided by the Chairman at the AGM.

KMP (including Directors) and their Closely Related Parties must not cast a vote on the Remuneration Report, unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1. The Chairman of the AGM will vote all undirected proxies **in favour** of Resolution 1, to the extent permitted by law. If you wish to vote “against” Resolution 1 or “abstain” from voting on Resolution 1 you should mark the relevant box in the attached Proxy Form.

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote **in favour** of Resolution 1 to adopt the Remuneration Report.

## **Resolution 2: Re-election of Mr. Ronni Chalmers as a Director**

Under rule 6.2(b) of the Company’s Constitution, the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors does not at any time exceed the maximum number determined in accordance with the Constitution (being six Directors). Any Director so appointed holds office only until the end of the next following annual general meeting and is eligible for re-election at that meeting.

Mr. Ronni Chalmers was appointed as an addition to the Board effective 27 September 2021, following the last annual general meeting of the Company held on 26 November 2020 and as such, holds office only until the end of this AGM and is eligible for re-election at this AGM.

Accordingly, Resolution 2 seeks Shareholder approval for the re-election of Mr. Chalmers as a Director of the Company in accordance with rule 6.2(b) of the Company’s Constitution and ASX Listing Rule 14.4. The re-election of Mr. Chalmers will be by way of Ordinary Resolution. Information on Mr. Chalmers’ qualifications and experience is set out below.

Mr. Chalmers has worked in the funds management industry for over four decades and brings deep industry experience as both an investment manager and business builder.

Mr. Chalmers’ business, CBG Asset Management was acquired by the Company in 2017. As founder of CBG Asset Management, Mr. Chalmers was the Responsible Manager for the AFSL licence and established the regulatory framework including compliance, custody agreements, unit pricing and client registries. He built strong revenue streams by developing close working relationships with financial planners, family offices, wholesale investors and institutions. CBG Asset Management was rated positively by external rating agencies, an important tool to gain wider inflows.

In 2013, Mr. Chalmers’ fund was awarded the prestigious Golden Calf Award for best performing boutique fund by the Australian Fund Management Foundation. He was Chairman of the LIC, CBG Capital, which was listed on the ASX in 2014 after raising \$24.5 million.

Since 2017, Mr. Chalmers has worked as a portfolio manager at Clime and is a Director of Clime Capital Limited (ASX:CAM).

Being eligible, Mr. Chalmers offers himself for re-election as a Director at the AGM.

The Directors (excluding Mr. Chalmers who abstains from making a recommendation on this Resolution 2) recommends supporting the re-election of Mr. Chalmers and unanimously recommends that Shareholders vote **in favour** of Resolution 2.

The Chairman will vote all undirected proxies **in favour** of Resolution 2. If you wish to vote “against” Resolution 2 or “abstain” from voting on Resolution 2 you should mark the relevant box in the attached Proxy Form.



### Resolution 3: Re-election of Ms. Susan Wynne as a Director

Under rule 6.2(b) of the Company's Constitution, the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors does not at any time exceed the maximum number determined in accordance with the Constitution (being six Directors). Any Director so appointed holds office only until the end of the next following annual general meeting and is eligible for re-election at that meeting.

Ms. Susan Wynne was appointed as an addition to the Board effective 27 September 2021, following the last annual general meeting of the Company held on 26 November 2020 and as such, holds office only until the end of this AGM and is eligible for re-election at this AGM.

Accordingly, Resolution 3 seeks Shareholder approval for the re-election of Ms. Wynne as a Director of the Company in accordance with rule 6.2(b) of the Company's Constitution and ASX Listing Rule 14.4. The re-election of Ms. Wynne will be by way of Ordinary Resolution.

Information on Ms. Wynne's qualifications and experience is set out below.

Ms. Wynne is an experienced leader with a proven track record of working across multi-disciplined and complex areas and industries with a key focus on the triple bottom line. Ms. Wynne is a connector of people, passion and ideas with a reputation for getting things done. Ms. Wynne is highly skilled in Strategy, Stakeholder Management, Governance, Negotiation, Corporate Affairs, Public Speaking, Management and Leadership.

Ms. Wynne has extensive experience in the boardroom and at senior executive level, particularly in roles dealing with diverse issues which require a broad skill set and strong focus on governance and risk, people and purpose. Ms. Wynne is a graduate of Australian Institute of Company Directors, an Affiliate of the Governance Institute of Australia, and is focused on delivering experience, knowledge, vision and direction.

Ms. Wynne is a Non-Executive Director of ASX listed MoneyMe Limited and the Mayor of the Municipality of Woollahra.

Being eligible, Ms. Wynne offers herself for re-election as a Director at the AGM.

The Directors (excluding Ms. Wynne who abstains from making a recommendation on this Resolution 3) recommends supporting the re-election of Ms. Wynne and unanimously recommends that Shareholders vote **in favour** of Resolution 3.

The Chairman will vote all undirected proxies **in favour** of Resolution 3. If you wish to vote "against" Resolution 3 or "abstain" from voting on Resolution 3 you should mark the relevant box in the attached Proxy Form.

### Resolution 4: Re-election of Dr. Michael Kollo as a Director

Under rule 6.2(b) of the Company's Constitution, the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors does not at any time exceed the maximum number determined in accordance with the Constitution (being six Directors). Any Director so appointed holds office only until the end of the next following annual general meeting and is eligible for re-election at that meeting.

Dr. Michael Kollo was appointed as an addition to the Board effective 27 September 2021, following the last annual general meeting of the Company held on 26 November 2020 and as such, holds office only until the end of this AGM and is eligible for re-election at this AGM.

Accordingly, Resolution 4 seeks Shareholder approval for the re-election of Dr. Kollo as a Director of the Company in accordance with rule 6.2(b) of the Company's Constitution and ASX Listing Rule 14.4. The re-election of Dr. Kollo will be by way of Ordinary Resolution.



Information on Dr. Kollo's qualifications and experience is set out below.

Dr. Kollo is a senior investment professional with extensive academic and private sector experience globally, more recently speaking on the application of machine learning and AI in the financial services sector. Dr. Kollo gained his PhD in Finance from the London School of Economics, and has lectured at the London School of Economics, Imperial College and at the University of New South Wales.

Dr. Kollo is a strong thought leader who has worked closely with sales teams to transform research insights into marketable service and products. Dr. Kollo brings with him a technical and articulate skill set, with a high academic pedigree and proven global experience.

Dr. Kollo is passionate about the responsible application of AI in society, and the future of work.

Being eligible, Dr. Kollo offers himself for re-election as a Director at the AGM.

The Directors (excluding Dr. Kollo who abstains from making a recommendation on this Resolution 4) recommends supporting the re-election of Dr. Kollo and unanimously recommends that Shareholders vote **in favour** of Resolution 4.

The Chairman will vote all undirected proxies **in favour** of Resolution 4. If you wish to vote "against" Resolution 4 or "abstain" from voting on Resolution 4 you should mark the relevant box in the attached Proxy Form.

#### **Resolution 5: Re-election of Ms. Claire Bibby as a Director**

Under rule 6.2(b) of the Company's Constitution, the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the Board, but so that the total number of Directors does not at any time exceed the maximum number determined in accordance with the Constitution (being six Directors). Any Director so appointed holds office only until the end of the next following annual general meeting and is eligible for re-election at that meeting.

Ms. Claire Bibby was appointed as an addition to the Board effective 18 October 2021, following the last annual general meeting of the Company held on 26 November 2020 and as such, holds office only until the end of this AGM and is eligible for re-election at this AGM.

Accordingly, Resolution 5 seeks Shareholder approval for the re-election of Ms. Bibby as a Director of the Company in accordance with rule 6.2(b) of the Company's Constitution and ASX Listing Rule 14.4. The re-election of Ms. Bibby will be by way of Ordinary Resolution.

Information on Ms. Bibby's qualifications and experience is set out below.

Ms. Bibby is a senior lawyer and professional coach, based in Sydney. Over the last 5 years, Ms. Bibby has founded and co-founded a number of businesses covering the legal, executive coaching, property-tech and legal-tech spaces. Prior to this, Ms. Bibby gained over 25 years of experience through senior management appointments with some of world's largest companies and top-tier law firms.

Ms. Bibby is a Non-Executive Director of two other ASX listed companies - Comms Group Limited (cloud communications (ASX:CCG)), and Arowana International Limited (investment group (ASX:AWN)), and is an Industry/Professional Fellow with the University of Technology Sydney, School of Law.

Being eligible, Ms. Bibby offers herself for re-election as a Director at the AGM.

The Directors (excluding Ms. Bibby who abstains from making a recommendation on this Resolution 5) recommends supporting the re-election of Ms. Bibby and unanimously recommends that Shareholders vote **in favour** of Resolution 5.

The Chairman will vote all undirected proxies **in favour** of Resolution 5. If you wish to vote "against" Resolution 5 or "abstain" from voting on Resolution 5 you should mark the relevant box in the attached Proxy Form.



## Resolution 6: Increase in Non-Executive Directors' Fees

In accordance with rule 6.5(c) of the Company's Constitution and ASX Listing Rule 10.17, Shareholder approval is sought to increase the maximum aggregate amount of Directors' fees per annum that may be paid by the Company to its Non-Executive Directors (**Fee Pool**) by \$40,000 from \$260,000 per annum (inclusive of statutory entitlements) to \$300,000 per annum, with such increase becoming effective from 1 January 2022.

Under the ASX Listing Rules, the term "Directors' fees" means all fees payable by the Company or its controlled entities or subsidiaries and includes committee fees, superannuation contributions and fees sacrificed for other benefits, but does not include reimbursement of genuine out-of-pocket expenses, genuine "special exertion" fees or securities issued to Non-Executive Directors with approval of Shareholders in accordance with the ASX Listing Rules.

Directors' fees are set at a level to attract and retain Non-Executive Directors with the necessary skills and experience to allow the Board to have a proper understanding of, and competence to deal with, current and emerging issues.

The allocation of fees to Non-Executive Directors within the total Fee Pool is a matter for the Board. The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for the time commitment and responsibilities involved. In setting fees, the Board has regard to such factors as external data on fees, the time commitment of Directors and the market capitalisation of the Company. In accordance with its policy, the Board reviews fees paid to Non-Executive Directors, and the total Fee Pool, periodically.

The Board has recently conducted a review of its Non-Executive Directors' fees and considers that it is reasonable and appropriate at this time to seek an increase in the Fee Pool for the following reasons:

- a. The \$260,000 limit has been in place since November 2015. The Company has undergone significant growth since then, resulting in an increase to Non-Executive Director commitments and responsibilities. The Fee Pool increase will provide flexibility for the Board to continue to attract and retain Non-Executive Directors of the highest calibre.
- b. The Board has recently appointed a fifth Director (who is a Non-Executive Director), with different skills and expertise to widen the Board's capabilities.
- c. It will allow for the payment of appropriate fees over time, taking into account the increasing time and responsibilities required of Non-Executive Directors generally and in particular with regard to increasing corporate governance complexity, and other regulatory requirements, and the growth of the Company's business.

The Board confirms that it does not currently intend to utilise the full increased Fee Pool, but considers that the increase is reasonable and appropriate for the reasons set out above. For the purposes of ASX Listing Rule 10.17, there were no securities issued to Non-Executive Directors under ASX Listing Rule 10.11 or 10.14 in the past 3 years.

If the Shareholders do not approve Resolution 6, the maximum aggregate amount of fees to be paid Non-Executive Directors per annum will remain at \$260,000 (inclusive of statutory entitlements), individual Non-Executive Directors' fees will remain unchanged and the ability to both retain and attract additional Non-Executive Directors will be constrained.

The Board makes no recommendation to Shareholders for Resolution 6 as it involves the payment of fees to Directors.



## Resolution 7: Ratification of prior issue of Placement Shares

### 7.1 Background

On 15 September 2021, the Company announced that it had conducted a placement to institutional investors (**Placement**), the purpose of which was to fund strategic growth opportunities. On 23 September and 6 October 2021 (**Issue Date**), the Company issued 806,452 and 3,629,032 Shares respectively, under the Placement utilising the Company's available placement capacity under ASX Listing Rule 7.1 (**Placement Shares**). The Placement raised \$2.75 million.

Each Share issued under the Placement was issued at a price of \$0.62 per Share. None of the subscribers in the Placement were **Related Parties** or Associates of Related Parties of the Company.

Broadly speaking and, subject to a number of exceptions, ASX 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.

ASX Listing Rule 7.4 provides that where shareholders of a listed company ratify previous issues of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issues did not breach ASX Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

The issuance of the Placement Shares did not fit within any of the exceptions to ASX Listing Rule 7.1, and as the issue of the Placement Shares has not yet been approved by Shareholders, they use up part of the Company's available placement capacity under ASX Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under ASX Listing Rule 7.1 for the 12-month period following the issue date of the Placement Shares.

The effect of Shareholders passing Resolution 7 will be to allow the Company to retain the flexibility to issue equity securities in the future up to its available placement capacity under ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

To this end, Resolution 7 seeks Shareholder approval for the issue of the Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 7 is not passed, the Placement Shares will continue to be included in the Company's available placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue or agree to issue without obtaining prior Shareholder approval to the extent of the 4,435,484 Shares issued pursuant to the Placement for the 12-month period following the issue of those Placement Shares.

### 7.2 Specific information required by ASX Listing Rule 7.5

(a) *The names of the persons to whom the Company issued or agreed to issue the Placement Shares or the basis on which those persons were identified or selected*

The Placement Shares were issued to institutional investors who participated in the Placement, none of whom are Related Parties of the Company.

(b) *The number and class of securities the Company issued or agreed to issue*

The Company issued 4,435,484 Placement Shares (being fully paid Ordinary shares in the Company) under the Placement utilising the Company's available placement capacity under ASX Listing Rule 7.1.



*(c) If the securities are not fully paid Ordinary securities, a summary of the material terms of the securities*

The Placement Shares are fully paid Ordinary shares of the Company and rank equally in all respects with the Company's existing Shares from the Issue Date.

*(d) The date or dates on which the securities were or will be issued*

The Placement Shares were issued on 23 September and 6 October 2021.

*(e) The price or other consideration the Company has received or will receive for the issue of the Placement Shares*

Each Placement Share was issued at a price of \$0.62 per Share. The Company received \$2,750,000 in aggregate from the issue of the Placement Shares.

*(f) The purpose of the issue, including the use or intended use of any funds raised by the issue*

All funds received from the issue of the Placement Shares will be used to fund further strategic growth opportunities of the Company. Please refer to the Company's ASX announcement dated 15 September 2021 for further details.

*(g) If the securities were or will be issued under an agreement, a summary of any other material terms of the agreement*

The Placement Shares were not issued under an agreement but were issued pursuant to the Placement.

*(h) A voting exclusion statement*

A voting exclusion statement for Resolution 7 is included in the Notice of Meeting.

### 7.3 Directors' Recommendation

The Directors unanimously recommend Shareholders vote **in favour** of Resolution 7.

The Chairman will vote all undirected proxies **in favour** of Resolution 7. If you wish to vote "against" Resolution 7 or "abstain" from voting on Resolution 7 you should mark the relevant box in the attached Proxy Form.

### Resolution 8: Approval of additional placement capacity under ASX Listing Rule 7.1A

#### 8.1 Background and description of ASX Listing Rule 7.1A

The Company had previously obtained the approval of its Shareholders to increase its placement capacity limit under ASX Listing Rule 7.1A to 25% at the annual general meeting of the Company held on 26 November 2020.

ASX Listing Rule 7.1A enables "eligible entities" to seek the approval of shareholders to issue equity securities of up to 10% of its issued share capital over a 12-month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 and will only be issued if Resolution 8 is passed at the AGM.

An "eligible entity" for the purposes of ASX Listing Rule 7.1A is an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is currently an eligible entity for these purposes and expects to remain an eligible entity as at the date of the AGM.



Pursuant to ASX Listing Rule 7.1A, any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. As at the date of this Notice, the Company has only one class of quoted securities on issue, being the Shares. Accordingly, any equity securities issued under the 10% Placement Facility will be Shares. ASX Listing Rule 7.1A also requires that any Shares issued under the 10% Placement Facility must be issued for a cash consideration per security which is not less than 75% of the volume weighted average market price (**VWAP**) for Shares, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the Shares are to be issued is agreed by the Company and the recipient of the securities; or
- (b) if the Shares are not issued within 10 Trading Days of the date in paragraph (a), the date on which the Shares are issued.

An approval under ASX Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following.

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (b) the time and date of the entity's next annual general meeting; or
- (c) the time and date of the approval by holders of an eligible entity's Ordinary securities of a transaction under ASX Listing Rule 11.1.2 (proposed change to nature or scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking).

Resolution 8 seeks Shareholder approval by way of Special Resolution (requiring at least 75% of the votes cast by present and eligible Shareholders voting at the AGM to be cast in favour of Resolution 8 in order for Resolution 8 to be passed) for the Company to have the 10% Placement Facility provided for in ASX Listing Rule 7.1A to issue Shares without Shareholder approval.

At the date of this Notice, the Company has 73,185,790 Shares on issue. The actual number of Shares that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Shares in accordance with the formula prescribed in Listing Rule 7.1A.2 (as to which, see section 8.2 below).

If Resolution 8 is passed, the Company will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A (noting that the Company will only be able to issue Shares under the additional 10% placement capacity under ASX Listing Rule 7.1A) without the requirement to seek any further Shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the 10% Placement Facility to issue Shares without Shareholder approval and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

## 8.2 Formula for calculating the 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of equity securities (in a class of quoted securities of the eligible entity) calculated in accordance with the following formula:

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



- A** is the number of fully paid Ordinary securities on issue at the commencement of the relevant period (i.e. the 12-month period immediately preceding the date of the issue or agreement to issue) (the Relevant Period)
- I.** plus the number of fully paid Ordinary securities issued in the Relevant Period under an exception in ASX Listing Rule 7.2 (other than exception 9, 16 or 17);
  - II.** plus the number of fully paid Ordinary securities issued in the Relevant Period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
    - A.** the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
    - B.** the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
  - III.** plus the number of fully paid Ordinary securities issued in the Relevant Period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
    - A.** the agreement was entered into before the commencement of the Relevant Period; or
    - B.** the agreement or issue was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rules 7.1 or 7.4;
  - IV.** plus the number of any other fully paid Ordinary securities issued in the Relevant Period with approval under ASX Listing Rules 7.1 or 7.4;
  - V.** plus the number of partly paid Ordinary securities that became fully paid in the Relevant Period;
  - VI.** less the number of fully paid Ordinary securities cancelled in the Relevant Period.
- D** is 10%;
- E** is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by the holders of the eligible entity's Ordinary securities under ASX Listing Rule 7.4.

### 8.3 Specific information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility.

#### *(a) A statement of the period for which approval will be valid*

If Shareholders approve Resolution 8, the Company's ability to make use of the 10% Placement Facility will commence on the date of this AGM and will expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this AGM; or
- (ii) the time and date of the Company's next AGM; or
- (iii) the time and date of an approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (proposed change to nature or scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking).



**(b) A statement of the minimum price at which the equity securities may be issued under ASX Listing Rule 7.1A.2**

Any Shares (being the Company's only class of quoted securities) issued under the 10% Placement Facility will be issued at a price per Share of not less than 75% of the VWAP for the Company's Shares calculated over the 15 Trading Days on which trades in Shares were recorded immediately before:

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

**(c) A statement of the purposes for which the funds raised by an issue of equity securities under ASX Listing Rule 7.1A.2 may be used**

The Company may use the cash funds raised by an issue of Shares under the 10% Placement Facility towards making (or to secure the right to make) one or more acquisitions and/or to further its existing projects; and/or general working capital; so that the Company has the necessary working capital and flexibility to consider, and if thought fit, to put it in a stronger position to make (or to secure the right to make) one or more acquisitions and/or to further its existing projects.

The Company will comply with the disclosure obligations under ASX Listing Rule 7.1A.4 upon issue of any Shares under the 10% Placement Facility.

In the event Resolution 8 is approved, when the Company issues Shares pursuant to the 10% Placement Facility, it will:

- (i) state in its announcement of the proposed issue under ASX Listing Rule 3.10.3 or in its application for quotation of the securities under ASX Listing Rule 2.7 that the securities are being issued under ASX Listing Rule 7.1A; and
- (ii) give to ASX immediately after the issue a list of names of the persons to whom the Company issued the equity securities and the number of equity securities issued to each (which list is not for release to the market), in accordance with Listing Rule 7.1A.4.

**(d) A statement of the risk of economic and voting dilution to existing Ordinary security holders that may result from an issue of equity securities under ASX Listing Rule 7.1A.2**

If Resolution 8 is approved by Shareholders and the Company issues Shares under the 10% Placement Facility, existing Shareholders face the risk of economic and voting dilution as a result of the issue of Shares under the 10% Placement Facility, to the extent that such Shares are issued, including the risk that:

- (i) the market price for Shares may be significantly lower on the date of the issue of the Shares than on the date that approval is obtained under ASX Listing Rule 7.1A (i.e. the date of this AGM assuming that Shareholder approval of Resolution 8 is obtained at this AGM); and
- (ii) the Shares may be issued at a price that is at a discount to the market price for the relevant Shares of the Company on the issue date.



The table below shows the potential dilution to existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable “A” calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of this Notice. The table also shows:

- (i) two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of Shares the Company has on issue as at the date of this Notice. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer), or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price respectively.

Variable “A” in Listing Rule 7.1A.2		Dilution		
		\$0.325	\$0.650	\$1.300
		50% decrease in current market price of Shares	Current market price of Shares	100% increase in current market price of Shares
Current variable A 73,185,790 Shares	10% voting dilution	7,318,579 Shares		
	Funds raised	\$2,378,538	\$4,757,076	\$9,514,153
50% increase in current variable A 109,778,685 Shares	10% voting dilution	10,977,868 Shares		
	Funds raised	\$3,567,807	\$7,135,614	\$14,271,228
100% increase in current variable A 146,371,580 Shares	10% voting dilution	14,637,158 Shares		
	Funds raised	\$4,757,076	\$9,514,153	\$19,028,035

The table above has been prepared based on the following assumptions:

- (i) All Shares have been issued.
- (ii) The Company issues the maximum number of Shares available under the 10% Placement Facility.
- (iii) No convertible securities of the Company are converted into Shares, or options are exercised, and Shares issued following such exercise, before the date of the issue of the Shares.
- (iv) The 10% voting dilution reflects the aggregate percentage dilution against the Company’s issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (v) 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 Facility, based on that Shareholder’s holding at the date of this AGM. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- (vi) The table shows only the effect of issues of Shares under ASX Listing Rule 7.1A, not under the Company’s 15% placement capacity under ASX Listing Rule 7.1.
- (vii) The current market price of the Company’s Shares utilised in the above table is \$0.65 per Share, being the closing price of Shares on the ASX on 25 October 2021.



**(e) What is the allocation policy for issues under the 10% Placement Facility**

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

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

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not a Related Party or an Associate of a Related Party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

**(f) Information required under ASX Listing Rule 7.3A.6 if the Company has issued or agreed to issue any equity securities under ASX Listing Rule 7.1A.2 in the 12 months preceding the date of the AGM**

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its annual general meeting held on 26 November 2020. As per the table below, the Company has issued the following Shares under ASX Listing Rule 7.1A.2 in the 12 months preceding the date of this AGM.

Equity securities issued under ASX Listing Rule 7.1A.2 in the 12 months prior to the Annual General Meeting on 2 December 2021	Nil
Percentage previous issues represent of total number of equity securities on issue at commencement of the 12-month period	Nil

**(g) If at the time of despatching the Notice the Company is proposing to make an issue of Shares under ASX Listing Rule 7.1A.2, a voting exclusion statement**

For the purposes of ASX Listing Rule 7.3A.7, a voting exclusion statement is included in the Notice. As at the date of the Notice, the Company has not approached any existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

#### **8.4 Directors' Recommendation**

The Directors believe that Resolution 8 is in the best interests of the Company and unanimously recommend that Shareholders vote **in favour** of Resolution 8.

The Chairman will vote all undirected proxies **in favour** of this Resolution. If you wish to vote "against" Resolution 8 or "abstain" from voting on Resolution 8 you should mark the relevant box in the attached Proxy Form.



## Resolution 9: Amendment to Constitution

The Board proposes amendments to the Constitution to remove the right of Directors to appoint Alternate Directors. The Alternate Director provisions of the Constitution allow directors to appoint Alternate Directors to carry out the duties of the Director for certain periods of time and in certain circumstances.

The Board considers it is important for Directors to carry out their own duties. Particularly with modern technology, the Board considers that the appointment of Alternate Directors should not be needed. The amendments will enhance the accountability of Directors and are considered by the Board to reflect better corporate governance practice.

The Constitution was last updated in 2011. The proposed amendments will be to strike out clause 6.14 in its entirety and make any consequential amendments where there is reference to Alternate Directors. The amendments will not affect any acts of Alternate Directors prior to the AGM.

A copy of the proposed constitution is available on Company's website for Shareholders to inspect at: <https://clime.com.au/about/clime-investment-management-limited/>.

Pursuant to section 136(2) of the Corporations Act, a company may modify or repeal its constitution by Special Resolution of Shareholders. For this Resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the Resolution must be in favour of the Resolution.

## Board Recommendation

The Board unanimously recommends that the Shareholders vote **in favour** of this Resolution.



## Glossary

In this Explanatory Memorandum and Notice of Meeting:

**\$** means Australian Dollars.

**10% Placement Facility** means the ability under ASX Listing Rule 7.1A for the Company (being an eligible entity) to issue up to 10% of its issued share capital through placements over a 12-month period commencing on the date of the AGM at which approval for such facility is obtained.

**AEDT** means Australian Eastern Daylight Time.

**Annual General Meeting** or **AGM** means the annual general meeting of the Company the subject of this Notice of Meeting scheduled to occur on Thursday, 2 December 2021.

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2021.

**Associate** has the meaning set out in Sections 11 – 17 of the Corporations Act.

**ASX** means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

**ASX Listing Rules** means the listing rules of the ASX.

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

**Board** means the board of Directors of the Company.

**Chairman** means the chairman of the Annual General Meeting.

**Clime** or **Company** means Clime Investment Management Ltd (ACN 067 185 899).

**Closely Related Party** has the meaning given in the Corporations Act and when used in relation to a member of the KMP will include a spouse, dependent and certain other close family members as well as any other companies controlled by the member of the KMP.

**Constitution** means the constitution of the Company as at the commencement of the Meeting.

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

**Director** means a Director of the Company.

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

**Equity Security** means an equity security as defined in the Listing Rules and includes a share, an option over an issued or unissued share, a right to an issued or unissued share, a convertible security and any security that ASX decides to classify as an equity security.

**Explanatory Memorandum** means this explanatory memorandum which forms part of the Notice of Meeting.

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



**Key Management Personnel or KMP** mean persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company. The Remuneration Report identifies the Company's KMP for the financial year ended 30 June 2021.

**Notice** means this notice of annual general meeting dated 1 November 2021 and accompanying Explanatory Memorandum.

**Placement** means the placement of Shares in the Company to institutional investors as announced by the Company on 15 September 2021.

**Placement Shares** means the 4,435,484 Shares issued under the Placement utilising the Company's 15% placement capacity under Listing Rule 7.1.

**Proxy Form** means the proxy form accompanying this Notice and Explanatory Memorandum.

**Related Party** has the same meaning as per the Corporations Act.

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

**Share** means a fully paid Ordinary share in the Company.

**Shareholder** means a holder of a fully paid Ordinary share in the Company.

**Trading Day** has the meaning set out in Chapter 19 of the Listing Rules and includes a day determined by ASX to be a trading day and notified to market participants, being (i) a day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and (ii) any other day which ASX declares and publishes is not a trading day.

**VWAP** means volume weighted average market price.

**In this Notice**, words importing the singular include the plural and vice versa.

## Enquiries

Shareholders are invited to contact the Company Secretary, Biju Vikraman at [bvikraman@clime.com.au](mailto:bvikraman@clime.com.au) if they have any queries in respect of the matters set out in these documents.

By order of the Board

**Biju Vikraman**  
**Company Secretary**

1 November 2021



✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEDT) on Tuesday, 30 November 2021.**

### 🖥 TO VOTE ONLINE

### 📱 BY SMARTPHONE

STEP 1: VISIT <https://www.votingonline.com.au/ciwagm2021>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEDT) on Tuesday, 30 November 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

🖥 **Online** <https://www.votingonline.com.au/ciwagm2021>

📠 **By Fax** + 61 2 9290 9655

✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia

👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

☐**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM****STEP 1 APPOINT A PROXY**

I/We being a member/s of **Clime Investment Management Limited** and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **virtually on Thursday, 2 December 2021 at 10:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 or 6, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 6 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 6). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr. Ronni Chalmers as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Ms. Susan Wynne as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-election of Dr. Michael Kollo as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Re-election of Ms. Claire Bibby as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Increase in Non-Executive Director's Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of prior issuance of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of additional placement capacity under ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Amendment to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2021