



ASX Announcement

10 October 2022

## **Notice of 2022 Annual General Meeting ("Notice") and related documents**

**Gratificii Limited** (ASX: GTI) ('**Gratificii**' or 'the **Company**') attaches the following documents in relation to its 2022 Annual General Meeting:

1. Letter to Shareholders in relation to the Notice;
2. Notice; and
3. Proxy Form.

The Company advises that the Letter to Shareholders, Notice and Proxy Form is being dispatched to Shareholders today.

-ENDS-

The Company confirms that this announcement has been approved by the Board of Gratificii Limited.

### **For further information, please contact:**

**Iain Dunstan**

CEO & Managing Director

**E:** [iaind@gratificii.com](mailto:iaind@gratificii.com)

**Maggie Niewidok**

Company Secretary

Ph: +61 2 8072 1400

**Automic Registry Services**

**Telephone (within Australia):** 1300 288 664

**Telephone (outside Australia):** +61 2 9698 5414

**Email:** [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

**Website:** <https://investor.automic.com.au/>

### **About Gratificii Limited**

Gratificii Limited (ASX:GTI) is a full-stack customer engagement technology provider that delivers end-to-end technology solutions for businesses to engage with their employees and customers. Its primary focus is providing liquidity for digital assets through its newly developed Mosaic Enterprise Engagement Platform. With mobile payment, ordering, booking and local offer capability; the Mosaic EEP will be the gateway to delivering a new digital lifestyle rewards program.

To learn more, please visit: [www.gratificii.com](http://www.gratificii.com).

10 October 2022

Dear Shareholder,

## **Gratifii Limited Notice of 2022 Annual General Meeting**

**Gratifii Limited** (ASX: GTI) ('**Gratifii**' or 'the **Company**') advises that its Annual General Meeting ('**Meeting**') will be held in person at Thomas Geer, Level 14, 60 Martin Place, Sydney NSW 2000 on Tuesday, 8 November 2022 at 10am (AEDT).

As permitted by the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless a shareholder has made a valid election to receive documents in hard copy. Instead, the Notice of Meeting can be viewed and downloaded from the website [www.gratifii.com](http://www.gratifii.com). A copy of the Meeting documents has also been posted to the Company's ASX market announcements page (ASX: GTI).

Each resolution will be decided by poll based on proxy votes and by votes from shareholders in attendance at the Meeting. Shareholders are encouraged to vote by lodging their proxy form, in accordance with the instructions set out in the proxy form, by no later than 48 hours before the commencement of the Meeting.

### **Shareholder Communications**

#### ***Your right to elect to receive documents electronically or physically***

The *Corporations Amendment (Meetings and Documents) Act 2022* includes a new requirement for public companies and listed companies to give shareholders notice of their right to elect to be sent documents electronically or physically by the Company in section 110K of the *Corporations Act 2001* (Cth).

The recent legislative changes mean there are new options for how Gratifii shareholders receive communications.

#### ***Providing your email address to receive shareholder communications electronically***

The Company encourages all shareholders to provide an email address so we can provide investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

By providing your email address, you will:

- Support the Company by reducing the cost of mailing/postage;
- Receive your investor communications faster and in a more secure way; and
- Help the environment through the need for less paper.

#### ***How do I update my communications preferences?***

Shareholders can still elect to receive some or all of their communications in physical or electronic form or elect not to receive certain documents such as annual reports. To review your communication



preferences, or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>.

If you are a shareholder and would like a physical copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

**Telephone (within Australia):** 1300 288 664

**Telephone (outside Australia):** +61 2 9698 5414

**Email:** [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)

**Website:** <https://investor.automic.com.au/>

On behalf of the Board, thank you for your continued support as a shareholder. We look forward to welcoming you to our AGM on Tuesday, 8 November 2022.

Yours sincerely,

**Maggie Niewidok**

Company Secretary

Gratificii Limited

**For further information, please contact:**

**Iain Dunstan**

CEO & Managing Director

**E:** [iaind@gratificii.com](mailto:iaind@gratificii.com)

#### **About Gratificii Limited**

Gratificii Limited (ASX:GTI) is a full-stack customer engagement technology provider that delivers end-to-end technology solutions for businesses to engage with their employees and customers. Its primary focus is providing liquidity for digital assets through its newly developed Mosaic Enterprise Engagement Platform. With mobile payment, ordering, booking and local offer capability; the Mosaic EEP will be the gateway to delivering a new digital lifestyle rewards program.

To learn more, please visit: [www.gratificii.com](http://www.gratificii.com)

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**GRATIFII LIMITED**

**ACN 125 688 940**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 10am (AEDT)

**DATE:** 8 November 2022

**PLACE:** Thomson Geer, Level 14, 60 Martin Place, Sydney, New South Wales

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

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

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## IMPORTANT INFORMATION

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### TIME AND PLACE OF MEETING

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Notice is hereby given that the annual general meeting of Shareholders of Gratifii Limited ACN 125 688 940 (**Company** or **Gratifii**) will be held at Thomson Geer, Level 14, 60 Martin Place, Sydney, New South Wales, 2000 on 8 November 2022, at 10am (AEDT).

The Explanatory Statement that accompanies and forms part of this Notice of Meeting sets out the background information on the Resolutions to be considered.

This Notice of Meeting, Explanatory Statement and Proxy Form should be read in their entirety.

### YOUR VOTE IS IMPORTANT

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

### VOTING ELIGIBILITY

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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 as at 7pm (AEDT) on 4 November 2022.

### VOTING IN PERSON

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To vote in person, attend the Meeting at the time, date and place set out above.

### VOTING BY PROXY

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To vote by proxy, please use one of the following methods:

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

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

**Proxy Forms received later than this time will be invalid.**

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

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

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

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

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

Further details are set out below.

### ***Proxy vote if appointment specifies way to vote***

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

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

- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

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

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

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

### ***Proxy Voting by the Chair***

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

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

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

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

## **CORPORATE REPRESENTATIVES**

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Any corporation which is a Shareholder of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the Constitution. Attorneys are requested to bring an

original or certified copy of the power of attorney pursuant to which they were appointed. Proof of identity is also required for corporate representatives and attorneys.

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## BUSINESS OF THE MEETING

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### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the Directors' Declaration, Directors' Report, Remuneration Report and Auditor's Report.

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### 2. RESOLUTION 1: ADOPTION OF REMUNERATION REPORT

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

*"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022."*

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

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of either of the following persons:

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

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

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

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### 3. RESOLUTION 2: ELECTION OF DIRECTOR – PATRINA KERR

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

*"That, for the purposes of clause 13.4 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Ms Patrina Kerr, a Director of the Company who was appointed to fill a casual vacancy on 1 September 2022, being eligible, offers herself for election, be elected as a Director of the Company."*

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**4. RESOLUTION 3: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA TO REPAY BOMBORA LOAN**

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, 400,000 Convertible Notes at a subscription price of \$1.00 each, be issued to Bombora in satisfaction of the Company's obligations to repay the Bombora Loan on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution 3 by or on behalf of Bombora or any other person who will obtain a material benefit as a result of the proposed issue of Securities (except a benefit solely by reason of being a Shareholder) and any of their associates.

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

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

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**5. RESOLUTION 4: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO NOVUS CAPITAL TO REPAY NOVUS LOAN**

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

*"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, 357,000 Convertible Notes at a subscription price of \$1.00 each, be issued to Novus Capital in satisfaction of the Company's obligations to repay the Novus Loan on the terms and conditions set out in the Explanatory Statement."*

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

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

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

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**6. RESOLUTION 5: AMENDMENT AND RE-ADOPTION OF INCENTIVE OPTION PLAN**

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

*"That, for the purpose of ASX Listing Rule 7.2 (exception 13(b)) and for all other purposes, approval is given for the Company to adopt the Amended Incentive Option Plan and any issue of up to 97,483,311 Plan Options under the Amended Option Plan within three years of the date of this Resolution as an exception to Listing Rule 7.1, on the terms and conditions set out in this Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of a person who is eligible to participate in the Amended Incentive Option Plan, including the current Directors or an associate of those persons in respect of which approval is sought.

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

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

- (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

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**7. RESOLUTION 6: APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO IAIN DUNSTAN**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 8,747,555 Plan Options to Mr Iain Dunstan on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution 6 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Dunstan) who is eligible to participate in the employee incentive scheme and any associate of those persons.

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

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

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**8. RESOLUTION 7: APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO BRYAN ZEKULICH**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 2,500,000 Plan Options to Mr Bryan Zekulich on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Zekulich) who is eligible to participate in the employee incentive scheme and any associate of those persons.

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

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

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**9. RESOLUTION 8: APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO MICHAEL HILL**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 2,500,000 Plan Options to Mr Michael Hill on the terms and conditions set out in the Explanatory Statement."*

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

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

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

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**10. RESOLUTION 9: APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO STEPHEN BORNESS**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 2,500,000 Plan Options to Mr Stephen Borness on the terms and conditions set out in the Explanatory Statement."*

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

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

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

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**11. RESOLUTION 10: APPROVAL FOR ISSUE OF OPTIONS TO IAIN DUNSTAN AS PART OF HIS REMUNERATION**

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the proposed issue of 4 Options to Mr Dunstan at an issue price of \$0.00, to receive up to \$93,750 worth of Shares on the terms and conditions set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution 10 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mr Dunstan) who is eligible to participate in the employee incentive scheme and any associate of those persons.

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

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

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## 12. RESOLUTION 11: APPROVAL OF 10% PLACEMENT CAPACITY

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

*"That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of 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 Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution 11 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 proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).

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

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

- (ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

**BY ORDER OF THE BOARD**

**Maggie Niewidok**

Company Secretary

Dated: 10 October 2022

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## EXPLANATORY STATEMENT

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

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the Directors' Declaration, Directors' Report, Remuneration Report and Auditor's Report. There is no requirement that Shareholders formally approve the reports comprising the annual financial report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report to Shareholders is available on its website [www.gratifi.com](http://www.gratifi.com).

The Chair will allow a reasonable opportunity at the Meeting for Shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor questions about the Auditor's Report, the conduct of its audit of the Company's annual financial report for the year ended 30 June 2022, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of the Company's auditor in relation to the conduct of the audit.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 Background

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

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the year ended 30 June 2022.

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

#### 2.2 Voting consequences

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

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

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

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

## 2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the 2021 remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

However, in the event that 25% or more of votes that are cast are against adoption of the 2022 Remuneration Report at the Meeting, Shareholders should be aware that if a 'no' vote of 25% or more for the same resolution at the 2023 annual general meeting, the consequence is that it may result in the re-election of the Board.

## 2.4 Proxy voting restrictions

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

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

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

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

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

***If you appoint any other person as your proxy –***

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

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## 3. RESOLUTION 2: ELECTION OF DIRECTOR – PATRINA KERR

### 3.1 Background

Patrina Kerr was appointed by the Board as a Director on 1 September 2022 to fill a casual vacancy.

Ms Kerr was the Managing Director of Hachiko Pty Ltd, a company specialising in the marketing of loyalty and rewards which Gratifii acquired in late August 2022. Additional information about the completion of this transaction can be found in the

Company's announcement of 22 August 2022. Prior to her role at Hachiko, Ms Kerr has had a long and varied career in sales and marketing in senior roles at Microsoft, CA Technologies, Consulting WorX Pty Ltd and Corel Corp.

### 3.2 **Clause 13.4 of the Constitution and ASX Listing Rule 14.4**

Clause 13.4 of the Constitution and ASX Listing Rule 14.4 states that a Director who has been appointed by the Board to fill a casual vacancy must not hold office without election past the next annual general meeting of the Company, being this Annual General Meeting.

### 3.3 **Board recommendation**

The Board, with Ms Kerr abstaining, supports the election of Ms Kerr as a Director of the Company and recommends that Shareholders vote in favour of Resolution 2.

## 4. **RESOLUTIONS 3 AND 4: APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA AND NOVUS CAPITAL TO REPAY BOMBORA LOAN AND NOVUS LOAN**

### 4.1 **Loans**

Bombora and Novus Capital have each entered into separate agreements pursuant to which they gave financial accommodation to the Company on the following key terms:

	<b>Bombora</b>	<b>Novus Capital</b>
<b>Date</b>	17 August 2022	17 August 2022
<b>Principal Amount</b>	\$400,000	\$357,000
<b>Maturity Date</b>	16 <sup>th</sup> February 2024	
<b>Interest rate</b>	10% per annum	
<b>Repayment conditions</b>	<p>On or prior to the maturity date (16 February 2024), the Company must repay the loan and accrued interest in cleared funds.</p> <p>The Company may also repay the loan by issuing convertible notes, subject to compliance with applicable law and the receipt of Shareholder approval.</p>	
<b>Events of default</b>	<p>(a) failure to pay any principal amount or accrued interest when due;</p> <p>(b) breach of the agreement which is not remedied within 10 days of the breach;</p> <p>(c) breach of a warranty in any material respect;</p> <p>(d) liquidation of the Company; or</p> <p>(e) an encumbrance takes possession or a receiver, receiver and manage, trustee or similar officer is</p>	

	<b>Bombora</b>	<b>Novus Capital</b>
	appointed over the whole or a substantial part of the assets or undertaking of the Company.	
<b>Security</b>	The loan is not secured	
	<b>(Bombora Loan)</b>	<b>(Novus Loan)</b>

## 4.2 Convertible Note Terms

The Company proposes to repay the Bombora Loan by issuing 400,000 Convertible Notes to Bombora and proposes to repay the Novus Loan by issuing 357,000 Convertible Notes to Novus Capital at a subscription price of \$1.00 per Convertible Note. The key terms of the agreements pursuant to which the Company proposes to issue those Convertible Notes are as follows:

	<b>Bombora</b>	<b>Novus Capital</b>
<b>Number of Convertible Notes and Face Value</b>	400,000 Convertible Notes with a face value of \$1.00 each.	357,000 Convertible Notes with a face value of \$1.00 each.
<b>Conversion Price</b>	\$0.023 per share.	
<b>Interest rate</b>	10% p.a. paid 6 monthly from the date of issue.	
<b>Maturity Date</b>	18 months after the date of the issue of the Convertible Notes.	
<b>Conditions Precedent</b>	The parties' obligations under the Convertible Notes will be subject to Shareholders approving the issue the proposed Convertible Notes at this Meeting.	
<b>Conversion</b>	<p>The Convertible Notes are convertible into Shares at the holder's option any time after the 12 months from the issuing of the Convertible Notes and up to the maturity date or a takeover event occurring.</p> <p>The number of Shares which the Company must issue to Bombora or Novus Capital will be determined in accordance with the following formula:</p> $A = \frac{B + C}{D}$ <p>where:</p> <p><b>A</b> = the number of Shares to be issued to the Lender;</p> <p><b>B</b> = the Face Value of the Convertible Notes being converted;</p> <p><b>C</b> = accrued interest; and</p> <p><b>D</b> = \$0.023.</p>	

	<b>Bombora</b>	<b>Novus Capital</b>
	If the number of Shares to be issued includes a fraction, the fraction will be rounded down to the nearest Share.	
<b>Redemption</b>	<p>The Company must redeem each Convertible Note that has not been redeemed, converted or is not the subject of a conversion notice on the earlier of:</p> <p>(a) maturity date; and</p> <p>(b) the date of an event of default (i.e., an insolvency event or a failure to pay any money owing under the Convertible Notes).</p>	
<b>Transferability and Rights</b>	The Convertible Notes are not transferable and do not entitle the note holder to any voting rights.	
	<b>(Bombora Note Subscription Deed).</b>	<b>(Novus Note Subscription Deed)</b>

#### **4.3 Bombora: Approval sought for the purposes of ASX Listing Rule 10.11**

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

Accordingly, Shareholder approval is only sought under Listing Rule 10.11 to approve the issue of the Convertible Notes.

The effect of approving Resolution 3 is that the Company will be entitled to issue the Convertible Notes to Bombora. This will allow the Company to repay the Bombora Loan through the issue of Convertible Notes. To understand the dilutive effect of passing Resolution 3, please see Annexure 1.

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

If Resolution 3 is not passed, the Company will not be able to issue Convertible Notes in satisfaction of its obligation to repay the Bombora Loan. As a result, the Company would be obliged to repay the Bombora Loan from its cash reserves or otherwise raise additional equity capital (subject to Shareholder approval) to fund the repayment of the Bombora Loan in accordance with its terms.

#### **4.4 Bombora: Shareholder approval under ASX Listing Rule 7.1 not sought**

ASX Listing Rule 7.1 provides that a company must not, unless an exception applies, issue or agree to issue more Equity Securities during any 12 month period than that amount of Equity Securities which represents 15% of the total number of fully paid ordinary Securities on issue at the beginning of that 12 month period (**15% Placement Capacity**).

ASX Listing Rule 7.2 (exception 14) provides that if shareholder approval for a transaction is being obtained pursuant to ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1. Therefore, Shareholder approval under ASX Listing Rule 7.1 is not being sought for the approval of this Resolution 3.

#### **4.5 Novus Capital: Shareholder approval sought under ASX Listing Rule 7.1**

For a description on the operation of ASX Listing Rule 7.1 please refer to section 4.4 above.

No ASX Listing Rule exception to ASX Listing Rule 7.1 applies to the issue of Convertible Notes to Novus Capital. Accordingly, the Company is seeking Shareholder approval for this Resolution 4 under ASX Listing Rule 7.1 so that the issue of Convertible Notes to Novus Capital will not count towards the Company's 15% Placement Capacity. To understand the dilutive effect of passing Resolution 4, please see Annexure 1.

If Resolution 4 is not passed, the Company will be required to either:

- (a) repay the Novus Loan from its cash reserves or otherwise raise additional equity capital (subject to Shareholder approval) to fund the repayment of the Novus Loan in accordance with its terms; or
- (b) issue Convertible Notes to Novus Capital within its 15% Placement Capacity, thereby reducing the Company's flexibility to issue additional Securities within its 15% Placement Capacity.

#### **4.6 Bombora: Specific information required by ASX Listing Rule 10.13**

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders:

<b>Person(s) to whom the Securities were issued</b>	Bombora
<b>ASX LR 10.11.1 to 10.11.5 category within which person falls</b>	ASX Listing Rule 10.11 applies to Bombora as Bombora is a person whose relationship with the Company is such that in ASX's opinion, the issue should be approved by Shareholders (i.e. ASX Listing rule 10.11.5)
<b>Number and class of Securities</b>	400,000 Convertible Notes.
<b>Issue date of Securities</b>	The Convertible Notes will be issued within one month after the date of this Meeting.
<b>Issue price of Securities</b>	\$1.00 per Convertible Note.
<b>Purpose of issue and use of funds</b>	No funds will be received upon issuing the Convertible Notes, rather the Convertible Note will be issued to repay the Bombora Loan and Novus Loan without drawing down on the Company's cash reserves.
<b>Terms of Securities</b>	Upon conversion of the Convertible Notes into Shares, those Shares will rank equally in

	all respects with the existing fully paid ordinary Shares.
<b>Summary of material terms of agreement</b>	Please see section 4.2.

#### **4.7 Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 3 and Resolution 4.

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### **5. RESOLUTION 5: AMENDMENT AND RE-ADOPTION OF INCENTIVE OPTION PLAN**

#### **5.1 Background**

The Company's employee incentive scheme, called the Incentive Option Plan, was first adopted by Shareholders on 1 May 2017 and renewed for a further 3 years at the Company's general meeting of 27 November 2020.

The issuing of incentivised Options is a recognised practice in Australia as part of the remuneration of employees (including senior executives) and contractors of the Company. Issuing performance-based Securities is considered a positive alternative to cash payments as the recipient benefits if the value of the Company increase – in which case all Shareholders benefit.

The Company now wishes to amend its Incentive Option Plan.

#### **5.2 Summary of IOP and Proposed Amendment**

A summary of the terms of the IOP is set out in Annexure 2. The full terms were announced to the ASX on 16 October 2017 and conditions of the IOP may also be obtained free of charge by contacting the Company Secretary.

The Board is entitled to amend the IOP at any time in the manner it thinks fit pursuant to clause 14.1 of the IOP. Currently the IOP limits the sum of all Plan Options that may be issued and offered under the IOP to 5% of the Shares on issue in the Company. The Board now wishes to increase this limit to 10% of the Shares on issue in the Company by amending clause 4.13 of the IOP.

Currently, the Company has issued Plan Options equal to approximately 3% of the total number of Shares on issue in the Company, i.e. the Company has reached 3% of its 5% capacity. Accordingly, the Company does not require this Resolution to pass in order to issue the Plan Options the subject of Resolutions 6 to 9 or the Remuneration Options the subject of Resolution 10. Nonetheless, the Board intends to make this amendment so that it can permit the issue of more Plan Options to further incentivise and reward existing and future, eligible IOP participants without impacting the Company's 15% Placement Capacity.

#### **5.3 ASX Listing Rule 7.1 and approval sought for the purposes of ASX Listing Rule 7.2 (exception 13(b))**

ASX Listing Rule 7.1 provides that a company must not, unless an exception applies, issue or agree to issue more Equity Securities during any 12 month period than that

amount of Equity Securities which represents 15% of the total number of fully paid ordinary Securities on issue at the beginning of that 12 month period.

ASX Listing Rule 7.2 (exception 13(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme approved by Shareholders three years or less ago, are an exception to Listing Rule 7.1. ASX Listing Rule 7.2 (exception 13(b)) is not available if there is a material change to the terms of the employee incentive scheme from those terms previously disclosed to Shareholders.

As the Company proposes to amend the IOP in a material manner (as summarised in section 5.2), the Amended IOP must be freshly approved by Shareholders in order for ASX Listing Rule 7.2 (exception 13(b)) to apply and continue to enable the Company to issue Securities under the Amended IOP without impacting the 15% Placement Capacity.

If this Resolution is passed, the Company will have the ability to issue Plan Options to eligible participants under the Amended IOP over a period of 3 years without impacting the 15% Placement Capacity.

If the Resolution is not passed the limit on the number of Plan Options that may be issued under the IOP remains at 5% of all Shares issued in the capital of the Company. Should that 5% capacity be reached, the Company may still issue Options or equity based awards to Directors or employees but will not be able to issue those Securities under the IOP. Those Securities issued outside the IOP may also count towards the Company's 15% Placement Capacity, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval in any given 12 month period.

#### **5.4 Specific information required by ASX Listing Rule 7.2 (exception 13(b))**

ASX Listing Rule 7.2 (exception 13(b)) requires that the following information be provided to Shareholders:

- (a) **Summary of IOP:** please refer to Annexure 2.
- (b) **No. of Plan Options:** 35,983,540 Plan Options have been granted under the IOP since the IOP was last re-adopted on 27 November 2020. Of these Plan Options:
  - (i) 8,528,653 Plan Options have lapsed; and
  - (ii) Nil Plan Options have been exercised.
- (c) **Maximum issue:** as at the date of this Notice and subject to the approval of this Resolution, the Company proposes to issue up to a maximum of 97,483,311 Plan Options, being 10% of all issued Shares in the capital of the Company as at the date of this Notice, under the Amended IOP within the three year period following approval of this Resolution.

#### **5.5 Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 5.

## 6. RESOLUTIONS 6, 7, 8 AND 9: APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO DIRECTORS

### 6.1 Background

The Company's employee incentive scheme was first adopted by Shareholders on 1 May 2017 and renewed for a further 3 years at the Company's general meeting of 27 November 2020. Should Resolution 5 pass, the IOP will also be amended with effect from the date of this Meeting in the manner set out in section 5.2. The IOP was established to help achieve the Company's corporate objectives by attracting and retaining its key staff through incentives.

As Directors, Mr Dunstan, Mr Zekulich, Mr Hill and Mr Borness are eligible to participate in the IOP. In recognition of their performance and to further promote their engagement with Gratifii, the Company proposes, subject to obtaining Shareholder approval, to issue the following number of Plan Options to each of them:

Director (and includes their Associates)	No. of Proposed Plan Options to be issued	No. of Shares currently held	No. of Options currently held, including Plan Options	No. of Plan Options currently held <sup>1</sup>
Iain Dunstan	8,747,555 (being 2,136,653 in tranche 1 and 5,099,183 in tranche 2) <sup>2</sup>	11,787,491	16,764,164	11,780,388
Bryan Zekulich	2,500,000 (being 647,471 in tranche 1 and 1,852,259 in tranche 2)	5,000,000 (Directly) 2,588,461 (Through Associates)	1,500,000	1,500,000
Michael Hill	2,500,000 (being 647,471 in tranche 1 and 1,852,259 in tranche 2)	2,500,000 (Directly) 1,050,000 (through Associates)	1,500,000	1,500,000
Stephen Borness	2,500,000 (being 647,471 in tranche 1 and 1,852,259 in tranche 2)	4,777,777 (through Associates)	1,500,000	1,500,000

<sup>1</sup> This figure does not include the Plan Options or Remuneration Options proposed to be issued to any Directors at this Meeting.

<sup>2</sup> Plan Options issued as a part of tranche 1 or tranche 2 differ in exercise price only

(\$0.028 vs \$0.03, respectively) and will otherwise be issued on the same terms and conditions and at the same time.

For the avoidance of doubt, no consideration is payable by any Director to receive any Plan Options.

## **6.2 Approval for the purposes of ASX Listing Rule 10.14 is sought**

ASX Listing Rule 10.14.1 requires a listed entity to obtain shareholder approval by ordinary resolution prior to the issue of, or agreement to issue, Securities under an employee incentive scheme to a person who is a Related Party. As Directors of the Company, Mr Dunstan, Mr Zekulich, Mr Hill and Mr Borness are all Related Parties falling within the category set out in ASX Listing Rule 10.14.1.

Accordingly, Resolutions 6 to 9 seek Shareholder approval for the proposed issue of Plan Options to each of Mr Dunstan, Mr Zekulich, Mr Hill and Mr Borness pursuant to ASX Listing Rule 10.14. To understand the effect of passing these Resolutions, please see Annexure 1. If Resolutions 6 to 9 are not passed, or any one of them is not passed, Plan Options will not be issued to one or more of Mr Dunstan, Mr Zekulich, Mr Hill and Mr Borness.

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

## **6.3 Approval for the purposes of Chapter 2E of the Corporations Act not sought**

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

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

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

A 'financial benefit' for the purposes of the Corporations Act has a wide meaning and catches the issue of the Plan Options to any of Mr Dunstan, Mr Zekulich, Mr Hill or Mr Borness. Consequently, the issue of the Plan Options the subject of Resolutions 6 to 9 (and 10) will, for the purposes of Chapter 2E of the Corporations Act, constitute giving a financial benefit to a Related Party of the Company.

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

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

#### **6.4 Shareholder approval under ASX Listing Rule 10.11 not sought**

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

#### **6.5 Shareholder approval under ASX Listing Rule 7.1 not sought**

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

#### **6.6 Specific information required by ASX Listing Rule 10.15**

ASX Listing Rule 10.15 requires that the following information be provided to Shareholders:

	Iain Dunstan	Bryan Zekulich	Michael Hill	Stephen Borness
<b>Person to whom the Securities are to be issued, number and class</b>	8,747,555 Plan Options (being 2,136,653 in tranche 1 and 5,099,183 in tranche 2)	2,500,000 Plan Options (being 647,471 in tranche 1 and 1,852,259 in tranche 2)	2,500,000 Plan Options (being 647,471 in tranche 1 and 1,852,259 in tranche 2)	2,500,000 Plan Options (being 647,471 in tranche 1 and 1,852,259 in tranche 2)
<b>ASX LR 10.11.1 to 10.11.5 category within which person falls</b>	As Directors, each of the Plan Option recipients are related parties of the Company who fall within ASX Listing Rule category 10.11.1.			
<b>Current remuneration package</b>	\$375,000 plus 10.0% superannuation, see also section 7.7	\$60,000 plus statutory superannuation	\$60,000 plus statutory superannuation	\$80,000 plus statutory superannuation
<b>Securities previously issued under the scheme and price paid for those Securities</b>	16,764,164 Plan Options. The average acquisition price paid to receive these Plan Options are \$0.	1,500,000 Plan Options. The average acquisition price paid to receive these Plan Options are \$0.	1,500,000 Plan Options. The average acquisition price paid to receive these Plan Options are \$0.	1,500,000 Plan Options. The average acquisition price paid to receive these Plan Options are \$0.
<b>Terms of the Securities</b>	Terms of the Plan Options are contained in Annexure 3.			
<b>Reasoning behind the type of Security</b>	The Company believes the grant of Options as opposed to Shares are preferable as Options will vest upon the satisfaction of certain conditions. This helps align the Company and each Director's long-term goals and vision.			
<b>Price and value of the Securities</b>	Tranche 1 of the Plan Options at \$0.0034 per Plan Option and tranche 2 at \$0.0036 per Plan Option, being a total value of \$25,622 based on a Black and Scholes valuation with	Tranche 1 of the Plan Options at \$0.0034 per Plan Option and tranche 2 at \$0.0036 per Plan Option, being a total value of \$8,870 based on a Black and Scholes valuation with	Tranche 1 of the Plan Options at \$0.0034 per Plan Option and tranche 2 at \$0.0036 per Plan Option, being a total value of \$8,870 based on a Black and Scholes valuation with	Tranche 1 of the Plan Options at \$0.0034 per Plan Option and tranche 2 at \$0.0036 per Plan Option, being a total value of \$8,870 based on a Black and Scholes valuation with

	Iain Dunstan	Bryan Zekulich	Michael Hill	Stephen Borness
	an implied volatility of 30%. For the avoidance of doubt, no consideration will be required to receive the Plan Options the subject of Resolution 6.	an implied volatility of 30%. For the avoidance of doubt, no consideration will be required to receive the Plan Options the subject of Resolution 7.	an implied volatility of 30%. For the avoidance of doubt, no consideration will be required to receive the Plan Options the subject of Resolution 8.	an implied volatility of 30%. For the avoidance of doubt, no consideration will be required to receive the Plan Options the subject of Resolution 9.
<b>Black and Scholes valuation assumptions</b>	<p>The Company valued the tranche 1 Plan Options at \$0.0034 using the Black and Scholes valuation methodology with an assumed issue date of 8 November 2022, share price at date of issue of \$0.019, exercise price of \$0.028, expiry date of 8 November 2027, annual risk free rate of 2.35% and annualised volatility of 30%. The resulting indicative price per option is \$0.0034.</p> <p>The Company valued the tranche 2 Plan Options at \$0.0036 using the Black and Scholes valuation methodology with an assumed issue date of 8 November 2022, share price at date of issue of \$0.019, exercise price of \$0.03, expiry date of 8 November 2028, annual risk free rate of 2.35% and annualised volatility of 30%. The resulting indicative price per option is \$0.0036.</p>			
<b>Issue date</b>	The Plan Options will be issued within three years after the date of this Meeting.			
<b>Material terms of the scheme</b>	Material terms of the IOP are contained in Annexure 2.			
<b>Material terms of loan</b>	No loan will be given to any Director by the Company to acquire the Plan Options.			

## 6.7 Board Recommendation

The Board recommends that Shareholders vote in favour of Resolutions 6 to 9, with Mr Dunstan abstaining in respect of Resolution 6, Mr Zekulich abstaining in respect of Resolution 7, Mr Hill abstaining in respect of Resolution 8 and Mr Borness abstaining in respect of Resolution 9.

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## 7. RESOLUTION 10: APPROVAL OF ISSUE OF OPTIONS TO IAIN DUNSTAN AS PART OF HIS REMUNERATION

### 7.1 Background

Mr Dunstan was appointed as a Director on 17 April 2020 as announced to the market on that date. He is also the Chief Executive Officer and Managing Director of the Company.

### 7.2 Remuneration Options

In accordance with the terms of Mr Dunstan's remuneration, Mr Dunstan may be entitled to receive up to \$93,750 in short term incentives for FY23. The Company wishes to pay, and Mr Dunstan has agreed to accept, his short term incentive in Shares and not cash. As at the date of this Notice, it is unknown if:

- (a) Mr Dunstan will achieve his financial targets for FY23; and
- (b) the number of Shares Mr Dunstan will be entitled to receive if he achieves his financial target for FY23, given the number of Shares Mr Dunstan will be entitled to receive is dependent on the Share price as at the date the Shares are issued.

Accordingly, the Company proposes to issue to Mr Dunstan 4 Options under the terms of the IOP with a \$0 exercise price which will vest upon Mr Dunstan's successful achievement of the FY23 financial targets and the exercise of which will grant Mr Dunstan \$93,750 worth of Shares (**Remuneration Options**).

### 7.3 Approval for the purposes of ASX Listing Rule 10.14 is sought

For a description on the operation of ASX Listing Rule 10.14 please refer to section 6.2 above.

The effect of approving this Resolution is that the Company will be entitled to issue the Remuneration Options to Mr Dunstan. Provided Mr Dunstan achieves his FY23 financial targets, this will allow the Company to pay Mr Dunstan his short term incentive through the issue of Shares, rather than cash. If Mr Dunstan does not achieve his FY23 financial targets, the Remuneration Options will not vest and will not be capable of being exercised. To understand the dilutive effect of passing this Resolution, please see Annexure 1.

If this Resolution is not passed and Mr Dunstan achieves his FY23 financial targets, the Company may be required to pay Mr Dunstan's short term incentive in cash. The Company could also at that time, seek Shareholder approval to issue Mr Dunstan his short term incentive in Shares, which may necessitate incurring the expense of convening an extraordinary general meeting to receive that approval.

#### **7.4 Approval for the purposes of Chapter 2E of the Corporations Act not sought**

For a description on the operation of Chapter 2E of the Corporations Act please refer to section 6.3 above. The Directors are of the view that the giving of the financial benefit to Mr Dunstan as a Related Party of the Company is reasonable remuneration and falls within the exception in section 211 of the Corporations Act. Accordingly, Shareholder approval for the purposes of Chapter 2E is not being sought.

#### **7.5 Shareholder approval under ASX Listing Rule 10.11 not sought**

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

#### **7.6 Shareholder approval under ASX Listing Rule 7.1 not sought**

For a description on the operation of ASX Listing Rule 7.1 and why approval is not being sought under ASX Listing Rule 7.1 please refer to section 4.4 above.

#### **7.7 Specific information required by ASX Listing Rule 10.15**

ASX Listing Rule 10.15 requires that the following information be provided to Shareholders:

<b>Person to whom the Securities are to be issued</b>	Iain Dunstan
<b>ASX LR 10.11.1 to 10.11.5 category within which person falls</b>	As a Directors, Mr Dunstan is a related party of the Company who falls within ASX Listing Rule category 10.11.1.
<b>Number and class of Securities</b>	4 options which the Company intends to issue under the IOP i.e. Remuneration Options
<b>Current remuneration package</b>	(a) \$375,000 cash per annum; plus (b) 10.0% superannuation payments.  Mr Dunstan may also receive up to \$93,750 upon the achievement of certain financial targets for FY23.
<b>Securities previously issued under the scheme and price paid for those Securities</b>	16,764,164 Plan Options (excluding any Plan Options which may be issued to Mr Dunstan pursuant to Resolution 6 and this Resolution). The average acquisition price paid to receive these Plan Options is \$0.
<b>Terms of the Securities</b>	Terms of the Remuneration Options are contained in Annexure 3.

<b>Reasoning behind the type of Security</b>	Please see section 7.2
<b>Price and value of the Securities</b>	\$93,750 for the Remuneration Options, being the total value of all Shares, which may be issued upon exercise of the Remuneration Options.
<b>Issue date</b>	The Remuneration Options will be issued within three years after the date of this Meeting.
<b>Material terms of the scheme</b>	Material terms of the IOP are contained in Annexure 2.
<b>Material terms of loan</b>	No loan will be given to any Director by the Company to acquire the Remuneration Options.

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

## 7.8 Board Recommendation

The Board (with Mr Dunstan abstaining) recommends that Shareholders vote in favour of Resolution 10.

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## 8. RESOLUTION 11: APPROVAL OF 10% PLACEMENT CAPACITY

### 8.1 Background

The Company currently has on issue 974,833,107 Shares and 34,716,811 Options and wishes to seek Shareholder approval for the capacity to issue up to 10% of the total number of Shares on issue, in addition to the 15% Placement Capacity to which it is entitled to under ASX Listing Rule 7.1.

### 8.2 Approval sought for the purposes of ASX Listing Rule 7.1A

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 securities it had on issue at the start of that period.

Under ASX Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% (**10% Placement Capacity**) to 25%.

An eligible entity is an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in ASX Listing Rule 7.1A to issue equity securities without Shareholder approval. If this Resolution 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 without any further Shareholder approval. If this Resolution 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 ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2. The exact number of Equity Securities that the Company may issue under the 10% Placement Capacity will be calculated according to the following formula:

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

Where:

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

- (i) plus the number of Shares issued in the previous relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (ii) plus the number of Shares 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 ASX listing Rules to have been approved, under ASX Listing Rule 7.1 or ASX Listing Rule 7.4;

- (iii) plus the number of Shares 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 Rule 7.1 or ASX Listing Rule 7.4;

- (iv) plus the number of Shares issued in the relevant period with approval under ASX Listing Rule 7.1 or ASX Listing Rule 7.4;
- (v) plus the number of partly paid shares that became fully paid in the relevant period; and
- (vi) less the number of Shares 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 Shareholders under ASX Listing Rule 7.4.

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

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

ASX Listing Rule 7.3A requires that the following information be provided to Shareholders:

**(a) Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price (**VWAP**) of Equity Securities in that class, calculated over the 15 ASX 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 ASX trading days of the date in section 8.3(a)(i), the date on which the Equity Securities are issued.

**(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue  (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.010 50% decrease in Issue Price	\$0.020 Issue Price	\$0.030 50% increase in Issue Price
<b>974,833,107</b>  (Current Variable A)	Shares issued: 10% voting dilution	1,072,316,418	1,072,316,418	1,072,316,418
	Funds raised	\$10,723,164	\$21,446,328	\$32,169,493
<b>1,462,249,661</b>  (50% increase in Variable A)	Shares issued: 10% voting dilution	1,608,474,627	1,608,474,627	1,608,474,627
	Funds raised	\$16,084,746	\$32,169,493	\$48,254,239
<b>1,949,666,214</b>  (100% increase in Variable A)	Shares issued: 10% voting dilution	2,144,632,835	2,144,632,835	2,144,632,835
	Funds raised	\$21,446,328	\$42,892,657	\$64,338,985

*\*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.*

**The table above uses the following assumptions:**

- (i) There are currently 974,833,107 Shares on issue and all figures in the table are calculated on an undiluted basis.

- (ii) The issue price set out above is the closing price of the Shares on the ASX on 4 October 2022.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (v) The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own Shareholding depending on their specific circumstances.
- (vi) This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- (vii) 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%.
- (viii) 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.

Shareholders should note that there is a risk that:

- (ix) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (x) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of issue**

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investments in new businesses (if any), the costs incurred in undertaking placement(s) of Shares under ASX Listing Rule 7.1A and for general working capital.

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

(e) **Allocation policy**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new

investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

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

(f) **Previous approval**

The Company has not obtained approval to issue Shares under ASX Listing Rule 7.1A previously within the last 12 months. The last time Shareholder approval was under ASX Listing Rule 7.1A was at the 2019 annual general meeting held on 29 November 2019. If approval is given under this Resolution then such approval will apply for a period of 12 months from this Annual General Meeting.

#### **8.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

#### **8.5 Recommendation**

The Directors recommend Shareholders vote in favour of this Resolution 11.

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## GLOSSARY

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**10% Placement Capacity** has the meaning given to that term in section 8.2 of the Explanatory Statement.

**15% Placement Capacity** has the meaning given to that term in section 4.4 of the Explanatory Statement.

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

**Amended Incentive Option Plan** or **Amended IOP** means the IOP as proposed to be amended in the manner set out in section 5.2 of this Explanatory Statement.

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

**Annexure** means an annexure of this Notice.

**ASIC** means the Australian Securities and Investments Commission.

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

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

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

**Auditor's Report** means the auditor's report set out in the Company's annual financial report for the year ended 30 June 2022.

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

**Bombora** means Bombora Investment Management Pty Ltd ACN 625 413 390 as trustee for the Bombora Special Investments Growth Fund.

**Bombora Loan** has the meaning given to that term in section 4.1 of the Explanatory Statement.

**Bombora Note Subscription Deed** has the meaning given to that term in section 4.2 of the Explanatory Statement.

**Chair** means the chair of the Meeting.

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

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

**Company** or **Gratifii** means Gratifii Limited ACN 125 688 940.

**Constitution** means the Company's constitution.

**Convertible Note** means the debt instrument which may be converted to equity on the terms agreed between the convertible note holder and the Company under the Bombora Note Subscription Agreement or Novus Note Subscription Agreement, as the context requires.

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

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

**Directors' Declaration** means the declaration of the Directors set out in the Company's annual financial report for the year ended 30 June 2022.

**Directors' Report** means the report of the Directors set out in the Company's annual financial report for the year ended 30 June 2022.

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

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**FY23** means the financial year ending 30 June 2023.

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

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

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

**Novus Capital** means Novus Capital Limited ACN 006 711 995.

**Novus Loan** has the meaning given to that term in section 4.1 of the Explanatory Statement.

**Novus Note Subscription Deed** has the meaning given to that term in section 4.2 of the Explanatory Statement.

**Option** means an option to acquire a Share, including Plan Options and the Remuneration Options.

**Plan Options** means an Option issued under the Incentive Option Plan.

**Proxy Form** means the proxy form accompanying the Notice.

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

**Remuneration Options** has the meaning given to that term in section 7.2 of the Explanatory Statement.

**Remuneration Report** or **2022 Remuneration Report** means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2022.

**Resolution** means a resolution set out in the Notice.

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

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

**Shareholder** means a holder of a Share.

**Spill Meeting** has the meaning given to that term in section 2.2 of the Explanatory Statement.

**Spill Resolution** has the meaning given to that term in section 2.2 of the Explanatory Statement.

**VWAP** has the meaning given to that term in section 8.3(a) of the Explanatory Statement.

## Annexure 1: Dilutionary effect of Resolutions

As at the date of this Notice, the Company has on issue 974,833,107 Shares on an undiluted basis and 1,097,126,841 Securities<sup>1</sup> on a fully diluted basis.

Resolution	Recipient of Securities	Securities the subject of the Resolution	Current Securityholding <sup>2</sup>	New Security holding if Resolution is passed	Projected % Shareholding <sup>3</sup>	Total dilution if Resolution is passed <sup>4</sup>
<b>3</b>	Bombora	\$400,000 worth of Convertible Notes (face value) which are convertible into 17,391,304 Shares <sup>6</sup>	118,877,991 Shares	118,877,991 Shares	16.1%	1.6% dilution
			Nil Options	Nil Options		
			\$1,500,000 worth of convertible notes (face value) which are convertible into 75,000,000 Shares <sup>5</sup>	\$1,500,000 worth of convertible notes (face value) which are convertible into 75,000,000 Shares <sup>5</sup> \$400,000 worth of Convertible Notes (face value) which are convertible into 17,391,304 Shares <sup>6</sup>		
			<b>TOTAL:</b> 193,877,991 Securities <sup>7</sup>	<b>TOTAL:</b> 211,269,295 Securities <sup>7</sup>		
<b>4</b>	Novus Capital	\$357,000 worth of Convertible Notes (face value) which are convertible into 15,521,739 Shares <sup>6</sup>	11,153,341 Shares	11,153,341 Shares	3.5%	1.4% dilution
			Nil Options	Nil Options		
			\$327,000 worth of convertible notes (face value) which are convertible into 12,576,923 <sup>8</sup>	\$327,000 worth of convertible notes (face value) which are convertible into 12,576,923 <sup>8</sup> \$357,000 worth of Convertible Notes (face value) which are convertible into 15,521,739 Shares <sup>6</sup>		
			<b>TOTAL:</b> 23,730,264 Securities <sup>7</sup>	<b>TOTAL:</b> 39,252,003 Securities <sup>7</sup>		

Resolution	Recipient of Securities	Securities the subject of the Resolution	Current Securityholding <sup>2</sup>	New Security holding if Resolution is passed	Projected % Shareholding <sup>3</sup>	Total dilution if Resolution is passed <sup>4</sup>
6	Iain Dunstan	8,747,555 Plan Options. Tranche 1 2,136,653 Plan Options Tranche 2 5,099,183 Plan options	11,787,491 Shares	11,787,491 Shares	3.3%	0.8% dilution
			11,780,388 Plan Options 4,983,776 Options	20,527,943 Plan Options 4,983,776 Options		
			<b>TOTAL:</b> 28,551,655 Securities <sup>7</sup>	<b>TOTAL:</b> 37,299,210 Securities <sup>7</sup>		
7	Bryan Zekulich	2,500,000 Plan Options Tranche 1 647,471 Plan Options Tranche 2 1,852,529 Plan Options	7,588,461 Shares	7,588,461 Shares	1.0%	0.2% dilution
			1,500,000 Plan Options Nil Options	4,000,000 Plan Options Nil Options		
			<b>TOTAL:</b> 9,088,461 Securities <sup>7</sup>	<b>TOTAL:</b> 11,588,461 Securities <sup>7</sup>		
8	Michael Hill	2,500,000 Plan Options Tranche 1 647,471 Plan Options Tranche 2 1,852,529 Plan Options	3,550,000 Shares	3,550,000 Shares	0.7%	0.2% dilution
			1,500,000 Plan Options Nil Options	4,000,000 Plan Options Nil Options		
			<b>TOTAL:</b> 5,050,000 Securities <sup>7</sup>	<b>TOTAL:</b> 7,550,000 Securities <sup>7</sup>		
9	Stephen Borness	2,500,000 Plan Options	4,777,777 Shares	4,777,777 Shares	0.8%	0.2% dilution
			1,500,000 Plan Options Nil Options	4,000,000 Plan Options Nil Options		

Resolution	Recipient of Securities	Securities the subject of the Resolution	Current Securityholding <sup>2</sup>	New Security holding if Resolution is passed	Projected % Shareholding <sup>3</sup>	Total dilution if Resolution is passed <sup>4</sup>
		Tranche 1 647,471 Plan Options Tranche 2 1,852,529 Plan Options	TOTAL: 6,277,777 Securities <sup>7</sup>	TOTAL: 8,777,777 Securities <sup>7</sup>		
10	Iain Dunstan	4 Remuneration Options (which are also Plan Options)	11,787,491 Shares	11,787,491 Shares	3.7%	0.4% dilution
			20,527,943 Plan Options <sup>9</sup> 4,983,776 Options	20,527,943 Plan Options <sup>9</sup> 4,983,776 Options		
			0 Remuneration Options	4 Remuneration Options which are exercisable into 4,687,500 Shares <sup>10</sup>		
			TOTAL: 37,299,210 Securities <sup>8</sup>	TOTAL: 41,986,714 Securities <sup>8</sup>		
Total dilution of Shareholders if all relevant Resolutions are passed						4.7% dilution

<sup>1</sup> This is calculated on a fully diluted basis, which assumes the following: 974,833,107 Shares, 34,716,811 Options convertible into 1 Share each, 12,576,923 Shares owing to Novus Capital's Associates (which is face value of \$327,000 worth of convertible notes, converted at \$0.026 per Share, calculated up until the date of this Notice (and does not include any interest payments)) and 75,000,000 Shares owing to Bombora upon conversion of convertible notes (see footnote 5).

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

<sup>3</sup> This is the total projected Shareholding of the recipient on a fully diluted basis (assumes all Options and convertible notes (excluding interest payments) held are exercised or converted to Shares assuming only the relevant Resolution is passed, unless otherwise stated).

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

<sup>5</sup> Refer to Resolution 5, as approved by Shareholders at the General Meeting held on 11 May 2021, the notice and explanatory statement for which was announced on 9 April 2021 for further details. Each convertible note has a face value of \$150,000 and is convertible into that number of Shares which is equal to the face value plus accrued interest divided by \$0.02. For the purposes of this table, it is assumed there is no accrued interest.

<sup>6</sup> Refer to Resolutions 3 and 4 of this Explanatory Statement for further details. Each Convertible Note has a face value of \$1.00 and is convertible into that number of Shares which is equal to the face value plus accrued interest divided by \$0.023. For the purposes of this table, it is assumed there is no accrued interest.

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

<sup>8</sup> Each convertible note has a face value of \$1.00 and is convertible into that number of Shares which is equal to the face value plus accrued interest divided by \$0.026. For the purposes of this table, it is assumed there is no accrued interest.

<sup>9</sup> This assumes the Plan Options the subjection of Resolution 6 are approved and is calculated on a fully diluted basis (assumes all Options and Convertible Notes (excluding interest payments) held are exercised or converted to Shares).

<sup>10</sup> The Remuneration Options confer a maximum benefit of \$93,750 worth of Shares to Mr Dunstan. In calculating the number of shares, this assumes all 4 Remuneration Options are exercised at an exercise price of \$0.02.

## Annexure 2: Material Terms of the IOP

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

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

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

- (t) **Change of control:** If a company obtains control of the Company the vesting conditions are deemed to be automatically waived.
- (u) **Capital reconstruction:** in the event of a capital reconstruction, the exercise price and/or number of Options will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (v) **Participation in new issues:** there are no participating rights or entitlement inherent in the Options and the holders will not be entitled to participate in new Shares offered to Shareholders during the currency of the Options without first exercising the Options. In addition, holders of Options will not be entitled to vote or receive dividends as a result of their holding of Options.

### Annexure 3: Terms of Plan Options and Remuneration Options

The Plan Options and Remuneration Options being the subject of Resolutions 6 and 10 to Mr Dunstan, Mr Zekulich, Mr Hill and Mr Borness would be issued on the following material terms:

	Plan Options	Remuneration Options
<b>Vesting Conditions</b>	<p>In the case of Mr Dunstan, a third, a third, a third over 3 years.</p> <p>In the case of Mr Zekulich, a third, a third, a third over 3 years.</p> <p>In the case of Mr Hill, a third, a third, a third over 3 years.</p> <p>In the case of Mr Borness, a third, a third, a third over 3 years.</p>	In the case of Mr Dunstan's Remuneration Options the subject of Resolution 10, various financial targets for FY23.
<b>Exercise price</b>	<p>Tranche 1: \$0.028 per Plan Option.</p> <p>Tranche 2: \$0.03 per plan option</p>	\$0.00 for each Remuneration Option
<b>Entitlement on exercise</b>	1 Share per Plan Option.	Each Option permits that number of Shares equal to 25% of \$93,750 based on a 10-day VWAP as at the date of exercise
<b>Expiry date</b>	<p>Tranche 1: 5 years from the date of issue</p> <p>Tranche 2: 6 years from the date of issue</p>	10 years from the date of issue
<b>Period of exercise</b>	All Options must be exercised by the expiry date. Any Options which have not been exercised will lapse.	
<b>How to exercise a Option</b>	The holder of an Option can exercise their Option by delivering a duly completed notice to the Company before the expiry date.	
<b>Ranking</b>	Shares obtained from the exercise of an Option will rank equally with all existing Shares.	
<b>Quotation</b>	The Company will not seek quotation of the Options.	
<b>Transferability</b>	The Options are not transferable.	
<b>Reconstruction of capital</b>	If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction of return), all rights of a holder of Options are to be changed to the extent necessary in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.	
<b>Participation in new issues</b>	There are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. Holders of these Options	

	Plan Options	Remuneration Options
	will be afforded the period of at least 5 Business Days prior to and inclusive of the record date (to determine entitlements to the new issue) to exercise their Options.	
<b>Change in Exercise price/number of underlying ordinary Shares</b>	<p>If there is a bonus issue to Shareholders, the number of ordinary Shares over which an Option is exercisable may be increased by the number of Shares which the holder of the Option would have received if Option had been exercised before the record date for the bonus issue.</p> <p>In the event that a pro rata issue (except a bonus issue) is made to Shareholders, the exercise price of the Options may be reduced in accordance with ASX Listing Rule 6.22.2.</p>	



GRATIFII LIMITED | ACN 125 688 940

# Proxy Voting Form

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (AEDT) on Sunday, 06 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

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

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at  
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

**WEBCHAT:** <https://automicgroup.com.au/>

**PHONE:** 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)



**AUTOMIC**

**Appoint the Chair of the Meeting (Chair)** OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 5, 6, 7, 8, 9 and 10 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 5, 6, 7, 8, 9 and 10 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Resolutions	For	Against	Abstain
1. ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. ELECTION OF DIRECTOR – PATRINA KERR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO BOMBORA TO REPAY BOMBORA LOAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. APPROVAL OF ISSUE OF CONVERTIBLE NOTES TO NOVUS CAPITAL TO REPAY NOVUS LOAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. AMENDMENT AND RE-ADOPTION OF INCENTIVE OPTION PLAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO IAIN DUNSTAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO BRYAN ZEKULICH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO MICHAEL HILL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. APPROVAL OF PROPOSED ISSUE OF PLAN OPTIONS TO STEPHEN BORNES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. APPROVAL FOR ISSUE OF OPTIONS TO IAIN DUNSTAN AS PART OF HIS REMUNERATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. <b>SPECIAL RESOLUTION</b> APPROVAL OF 10% PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:



Email Address:



Contact Daytime Telephone



Date (DD/MM/YY)

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**By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).**