



AVADA Group Limited
ACN 648 988 783
c/o Kern Group
Level 22, 300 Queen Street
Brisbane QLD 4000
www.avadagroup.com.au

13 October 2022

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to provide the Notice of Annual General Meeting for AVADA Group Limited (AVADA or Company), a copy of which accompanies this letter.

The Company's inaugural AGM will be held as a physical meeting on Monday, 14 November 2022, commencing at 11.00am (Brisbane time) at the offices of McCullough Robertson, Level 11, 66 Eagle Street, Brisbane, Queensland.

As permitted by the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholders have made a valid election to receive documents in hard copy. The Notice of Meeting and accompanying explanatory memorandum (**Meeting Materials**) are available to shareholders electronically and can be viewed and downloaded on the Company's website.

The Company recognises and respects the importance of the AGM to shareholders and has adopted measures to allow shareholders to view the 2022 AGM live by webcast by logging in online at <https://meetings.linkgroup.com/AVDAGM22>. Shareholders who cannot physically attend the AGM are encouraged to submit questions in advance of the AGM by submitting them online at <https://investorcentre.linkgroup.com> via your secure login /or by email to the Company Secretary, Paul Fitton (pfitton@avadagroup.com.au) by Friday, 11 November 2022. The Company will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the AGM.

Voting on the day of the Annual General Meeting will only be permissible by shareholders who are physically present at the meeting. There will be no online voting on the day of the meeting and shareholders are encouraged to lodge a proxy ahead of the meeting.

Full details on how to lodge your Proxy vote are detailed in the Meeting Materials with online proxy voting being available to all shareholders at <https://investorcentre.linkgroup.com>.

Proxy voting closes at 11.00am (Brisbane time) on Saturday 12 November 2022.

Your continued support is greatly appreciated.

Lance Hockridge
Chairman

Notice of annual general meeting

AVADA Group Limited ACN 648 988 783 (**Company**)

Dear Shareholders

On behalf of the Board, notice is given that the Company's 2022 Annual General Meeting (**AGM**) will be held at:

Location	McCullough Robertson's Brisbane offices at Level 11, 66 Eagle Street, Brisbane QLD 4000
Date	Monday, 14 November 2022
Time	11.00am Australian Eastern Standard Time

Participation in AGM

This is the Company's first AGM since being admitted to the official list of ASX.

This year's AGM will be held as a physical meeting with a live webcast available at <https://meetings.linkgroup.com/AVDAGM22>:

Shareholders will be able to view the AGM live by watching the webcast, but will not be able to ask questions or vote through the webcast facilities. Voting on the day of the AGM will only be permissible by Shareholders who are physically present at the meeting. There will be no online voting on the day of the meeting.

AGM considerations and shareholder questions

A discussion will be held on all items to be considered at the AGM.

All Shareholders who choose to attend the AGM in person will have a reasonable opportunity to ask questions during the AGM, including an opportunity to ask questions of the Company's external auditor.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following:

- 1 All Shareholder questions should be stated clearly and should be relevant to the business of the AGM, including matters arising from the Financial Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and general questions about the performance, business or management of the Company.
- 2 If a Shareholder has more than one question on any particular item, all questions should be asked at the same time.
- 3 Shareholders should not ask questions at the AGM regarding personal matters or those that are commercial in confidence.

It may not be possible to respond to all questions raised during the AGM. Shareholders are therefore encouraged to submit questions in advance of the AGM by submitting them online at <https://investorcentre.linkgroup.com> via your secure login or by email to the Company Secretary, Paul Fitton (pfitton@avadagroup.com.au) by Friday, 11 November 2022. The Company will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the



AGM. However, there may not be sufficient time available at the meeting to address all of the questions raised. Individual responses will not be sent to Shareholders.

If you are unable to attend the AGM to vote, the Board encourages you to lodge your votes by proxy in the form attached to this Notice of Meeting.

Ordinary Business

Financial Statements and Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2022.

Resolution 1 — Directors' Remuneration Report

To consider and, if in favour, to pass the following resolution in accordance with section 250R(2) of the Corporations Act:

- 1 *'That the Remuneration Report be adopted.'*

Note: This resolution shall be determined under section 250R(2) of the Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and closely related parties in contravention of section 250R or 250BD of the Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

The Directors abstain, in the interest of good corporate governance, from making a recommendation in relation to this resolution.

Resolution 2 — Re-election of Lance Edwin Hockridge as a director

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

- 2 *That Mr Lance Edwin Hockridge, being a director of the Company, who retires by rotation in accordance with rule 19.2(b) of the Company's Constitution, and being eligible, offers himself for re-election, be re-elected as a director of the Company.*

The Directors (with Mr Lance Edwin Hockridge abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 3 — Re-election of Ann-Maree Robertson as a director

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

- 3 *That Ms Ann-Maree Robertson, being a director of the Company, who retires by rotation in accordance with rule 19.2(b) of the Company's Constitution, and being eligible, offers herself for re-election, be re-elected as a director of the Company.*

The Directors (with Ms Ann-Maree Robertson abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 4 — Re-election of Joanne Maree Willoughby as a director

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

- 4 *That Ms Joanne Maree Willoughby, being a director of the Company, who retires by rotation in accordance with rule 19.2(b) of the Company's Constitution, and being eligible, offers herself for re-election, be re-elected as a director of the Company.*

The Directors (with Ms Joanne Maree Willoughby abstaining) unanimously recommend that you vote in favour of this resolution.

Resolution 5 — Re-election of Robert Cazzolli as a director

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

- 5 *That Mr Robert Cazzolli, being a director of the Company, who retires by rotation in accordance with rule 19.2(b) of the Company's Constitution, and being eligible, offers himself for re-election, be re-elected as a director of the Company.*

The Directors (with Mr Robert Cazzolli abstaining) unanimously recommend that you vote in favour of this resolution.

Special Business

Resolution 6 — Approval of additional 10% capacity under Listing Rule 7.1A

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

- 6 *That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.*

The Directors unanimously recommend that you vote in favour of this resolution.

The Board appreciates your ongoing support and we look forward to seeing you at the AGM.

Dated: 13 October 2022

By order of the Board

A handwritten signature in blue ink, appearing to read "P. Fitton", is written over a horizontal line.

Paul Kenneth Fitton
Company Secretary

Notes

- (a) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form.
- (d) A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (e) If you have any queries on how to cast your votes then call Paul Kenneth Fitton on +61 434 685 661 during business hours.

Voting intentions of the Chair

The Chair intends to vote undirected proxies on, and in favour of, each of the resolutions set out in the Notice of Meeting. If there is a change to how the Chair intends to vote undirected proxies, the Company will make an announcement to the market.

Voting Exclusion Statement

Corporations Act

Resolution 1 — The Company will disregard votes cast by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

For the purposes of section 224 of the Corporations Act, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a related party or associate of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party.

Listing Rules

Resolution 6 — In accordance with Listing Rule 14.11, the Company will disregard votes cast in favour of Resolution 6 by or on behalf of a person, or any associate of that person, who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares). In accordance with Listing Rule 14.11 and the relevant note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting, it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

However, this does not apply to a vote cast in favour of the 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; or
- (b) the Chair of the General 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 holding acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolutions; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Explanatory memorandum

AVADA Group Limited Ltd ACN 648 988 783

This Explanatory Memorandum forms part of, and should be read in conjunction with, the notice of annual general meeting of the Company to be held on Monday, 14 November 2022 at 11.00am (AEST).

The Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying notice of annual general meeting of the Company.

Financial Statements and Reports

- 1 The Corporations Act requires that the Directors' Report, the Auditor's Report and the Financial Report be laid before the AGM.
- 2 Apart from matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution of the Company requires a vote of Shareholders at the AGM on the financial statements and reports.
- 3 Shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the financial statements and reports.
- 4 In addition to asking questions at the AGM, Shareholders may address written questions to the Chair about the management of the Company or to the Company's auditor, Deloitte, if the question is relevant to:
 - (a) the content of the Auditor's Report; or
 - (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) of the Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the AGM is held.

- 5 Written questions for the auditor must be delivered by 5.00pm on Monday, 7 November 2022. Please send any written questions for Deloitte to:

*The Company Secretary
AVADA Group Limited
c/o Kern Group
Level 22, 300 Queen Street
Brisbane 4000*

or via email to: pfitton@avadagroup.com.au

Resolution 1 — Directors' Remuneration Report

Background

- 1 The Remuneration Report is contained in the Directors' Report. A copy is available on the Company's website.
- 2 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.

- 3 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining the Company's remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.
- 4 The Remuneration Report:
 - (a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and
 - (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.
- 5 The Chair will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' recommendation

- 6 As this resolution relates to matters including the remuneration of Directors, the Board, as a matter of good corporate governance and in accordance with section 250R(4) of the Corporations Act, makes no recommendation regarding this resolution.

Resolution 2 — Re-election of Lance Edwin Hockridge as a director

Background

- 7 Mr Lance Edwin Hockridge was appointed as a director of the Company on 9 November 2021 to fill a casual vacancy in accordance with rule 19.2(a) of the Constitution.
- 8 Rule 19.2(b) of the Constitution provides that a director appointed to fill a casual vacancy under rule 19.2, who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment.
- 9 Accordingly, Mr Lance Edwin Hockridge will retire from office under rule 19.2(b) of the Constitution and stands for re-election as a director.
- 10 Lance Hockridge is a globally experienced manufacturing, logistics and transportation executive with a focus on leading the safety, operational and financial transformation of businesses. Lance was previously the Managing Director and chief executive officer of Aurizon Holdings Limited, following the demerger of Queensland Rail and QR National. Lance joined the then Queensland Rail as chief executive officer in 2007, leading the Company through a successful IPO in November 2010 (subsequently an ASX 50 company). Lance led Aurizon through a major safety, customer, cultural, operational and financial transformation.
- 11 Lance has nearly 40 years' experience in the transportation and heavy industrial sectors in Australia and the United States of America with BHP, BlueScope Steel and Aurizon. At BHP, Lance led the Company's global shipping and transport operations. Thereafter Lance led what became BlueScope Steel's Flat Products business after the demerger of BlueScope from BHP. In 2005, Lance was appointed President of BlueScope Steel's North American operations where he led a major turnaround in safety, production and financial performance.
- 12 Lance was a member of the Business Council of Australia from 2011 to 2016. He was a private sector member of the Australian Government's Department of Defence Gender Equality Advisory Board and is a founding member of Queensland's "Male Champions of Change" group. Lance was Deputy Chairman of the Queensland Government Domestic and Family Violence Implementation

Council. Lance was the first Australian to be awarded the prestigious UN CEO Empowerment Award in March 2016. Lance is also the Chairman of The Salvation Army's Queensland Advisory Group.

- 13 Lance is a Member of the Australian Institute of Company Directors, a Fellow of the Institute of Managers and Leaders Australia and New Zealand and is a Chartered Fellow of the Chartered Institute of Logistics and Transport. Lance is a non-executive director of Kelsian Group Limited (ASX:KLS).

Directors' recommendation

- 14 The directors (with Mr Lance Edwin Hockridge abstaining) unanimously recommend that Shareholders vote in favour of this resolution.
- 15 If this resolution is approved, Mr Lance Edwin Hockridge will be re-elected as a director of the Company, with effect from the date of this AGM.

Resolution 3 — Re-election of Ann-Maree Robertson as a director

Background

- 16 Ms Ann-Maree Robertson was appointed as a director of the Company on 9 November 2021 to fill a casual vacancy in accordance with rule 19.2(a) of the Constitution.
- 17 Rule 19.2(b) of the Constitution provides that a director appointed to fill a casual vacancy under rule 19.2, who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment.
- 18 Accordingly, Ms Ann-Maree Robertson will retire from office under rule 19.2(b) of the Constitution and stands for re-election as a director.
- 19 Through her auditing and commercial accounting experience, Ann-Maree has developed an extensive understanding of financial reporting, accounting, governance and internal control systems across a wide variety of businesses.
- 20 Ann-Maree has been Director of Audit & Assurance at Nexia Australia since 2007. Ann-Maree's clients include ASX listed public companies, large public unlisted and proprietary companies and not for profit entities across a range of industries including exploration, construction, service industries and financial services. In her role as Audit Director she has been involved in assisting her client's Audit Committees and Boards. She has been in practice since 1989 to present.
- 21 Combining significant audit and commercial experience, Ann-Maree contributes a deep knowledge of audit, financial reporting, accounting, governance and internal controls for listed companies. Ann-Maree is a Member of the Australian Institute of Company Directors, a Fellow of Chartered Accountants Australia & New Zealand, an ASIC Registered Company Auditor and holds a Bachelor of Commerce from the University of Queensland.

Directors' recommendation

- 22 The directors (with Ms Ann-Maree Robertson abstaining) unanimously recommend that Shareholders vote in favour of this resolution.
- 23 If this resolution is approved, Ms Ann-Maree Robertson will be re-elected as a director of the Company, with effect from the date of this AGM.

Resolution 4 — Re-election of Joanne Maree Willoughby as a director

Background

- 24 Ms Joanne Maree Willoughby was appointed as a director of the Company on 9 November 2021 to fill a casual vacancy in accordance with rule 19.2(a) of the Constitution.
- 25 Rule 19.2(b) of the Constitution provides that a director appointed to fill a casual vacancy under rule 19.2, who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment.
- 26 Accordingly, Ms Joanne Maree Willoughby will retire from office under rule 19.2(b) of the Constitution and stands for re-election as a director.
- 27 Jo has a proven ability to deliver profitable and sustainable growth through customer-led innovation and change in fast-paced, complex and regulated operating environments. Jo's diverse industry experience includes financial services, logistics, retail and professional services.
- 28 Jo is Independent Chair for Collins SBA Holdings, and is a member of the Advisory Board Centre and is an independent director for a number of private companies.
- 29 Combining strategic, governance and commercial experience, Jo brings deep knowledge of marketing and sales, customer and brand experience, digital transformation, financial performance and risk management. Jo has been an independent principal consultant since 2017, providing advisory services to clients within the infrastructure and utilities sectors. Previously, Jo was Chief Operating Officer and Head of Sales and Marketing at Infocus Wealth Management for five years, and worked for Australia Post for 11 years across various marketing and management roles.
- 30 Jo is a certified Advisory Board Chair, a Graduate Member of the Australian Institute of Company Directors, a Certified Practising Marketer, and holds a Bachelor of Business from the University of Southern Queensland.

Directors' recommendation

- 31 The directors (with Ms Joanne Maree Willoughby abstaining) unanimously recommend that Shareholders vote in favour of this resolution.
- 32 If this resolution is approved, Ms Joanne Maree Willoughby will be re-elected as a director of the Company, with effect from the date of this AGM.

Resolution 5 — Re-election of Robert Cazzolli as a director

Background

- 33 Mr Robert Cazzolli was appointed as a director of the Company on 9 November 2021 to fill a casual vacancy in accordance with rule 19.2(a) of the Constitution.
- 34 Rule 19.2(b) of the Constitution provides that a director appointed to fill a casual vacancy under rule 19.2, who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment.
- 35 Accordingly, Mr Robert Cazzolli will retire from office under rule 19.2(b) of the Constitution and stands for re-election as a director.
- 36 Robert Cazzolli is the Managing Director of D&D Traffic Management. D&D Traffic Management, based in New South Wales, is a founding business of AVADA. Robert brings significant traffic

management industry experience from within the New South Wales market. Robert joined D&D Traffic Management in 2000 and has been a joint director of the business since 2003. Robert led the restructuring and expansion of the D&D Traffic Management business to focus on traffic management. Robert's commercial acumen and structured approach to developing management and operational systems has been pivotal in developing D&D Traffic Management into a market leader in traffic management. Robert's vision and enthusiasm for innovation has been fundamental in defining D&D Traffic Management's distinct service offering. Robert continues to focus on ensuring the growth of D&D Traffic Management. Robert holds a Bachelor of Commerce from the University of Wollongong.

Directors' recommendation

- 37 The directors (with Mr Robert Cazzolli abstaining) unanimously recommend that Shareholders vote in favour of this resolution.
- 38 If this resolution is approved, Mr Robert Cazzolli will be re-elected as a director of the Company, with effect from the date of this AGM.

Resolution 6 — Approval of additional 10% capacity under Listing Rule 7.1A

Background

- 39 Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12-month period without requiring Shareholder approval. In accordance with the Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and that also have a market capitalisation of \$300 million or less) can issue a further 10% of the Company's share capital over a 12-month period following the AGM (provided Shareholder approval is obtained at the AGM) on a non-pro rata basis.
- 40 The Company falls within the eligibility criteria required by Listing Rule 7.1A.
- 41 The number of Shares that may be issued (if Shareholder approval is obtained at the AGM) will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

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

A is the number of fully paid shares on issue at the commencement of the relevant period:

- (A) *plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 (other than 9, 16 or 17);*
- (B) *plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:*
 - (I) *the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or*
 - (II) *the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;*
- (C) *plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:*

- (I) *the agreement was entered into before the commencement of the relevant period; or*
 - (II) *the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;*
 - (D) *plus the number of any other full paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;*
- Note: This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1.*
- (E) *plus the number of partly paid ordinary securities that became fully paid in the relevant period;*
 - (F) *less the number of fully paid ordinary securities cancelled in the relevant period;*

D *is 10%.*

E *is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.4.*

42 Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought. For the purposes of Listing Rule 7.3A, the Company provides the following information:

Minimum price at which the equity securities may be issued	<p>Any equity securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average price for the security in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ul style="list-style-type: none"> (a) the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or (b) if the securities are not issued within 10 trading days of the date in paragraph (a), the date on which the securities are issued.
Risk of economic and voting dilution	<p>An issue of equity securities under Listing Rule 7.1A.2 involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ul style="list-style-type: none"> (a) the market price for equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and (b) the equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date. <p>In accordance with Listing Rule 7.3A.4 a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>

Period for which the approval will be valid	<p>The period commencing on the date of the Annual General Meeting at which approval is obtained and expiring on the first to occur of the following:</p> <ul style="list-style-type: none"> (a) the date which is 12 months after the date of the annual general meeting at which approval is obtained; (b) the time and date of the Company's next annual general meeting; or (c) the time and date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2.
Purposes for which the equity securities may be issued	<p>It is the Board's current intention that any funds raised pursuant to an issue of securities will be applied towards working capital purposes. This would principally include:</p> <ul style="list-style-type: none"> (a) maintenance or acquisition of assets; (b) business acquisitions; and (c) debt repayment.
Details of the Company's allocation policy for issues under approval	<p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:</p> <ul style="list-style-type: none"> (a) the methods of raising funds that are available to the Company including but not limited to, rights issues or other issues in which existing security holders can participate; (b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company; (c) the financial situation and solvency of the Company; and (d) advice from corporate, financial and broking advisers (if applicable). <p>The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.</p>
Previous approvals under Listing Rule 7.1A	<p>This is the Company's first annual general meeting since being listed on the ASX. Accordingly, no previous approvals have been sought by the Company under Listing Rule 7.1A. As such, the Company has not issued any Equity Securities in reliance on Listing Rule 7.1A to date.</p>

Information under Listing Rule 7.3A.2

- 43 The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.
- 44 The table also shows:
- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued

under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.40 50% decrease in Issue Price	\$0.80 Current Market Price	\$1.60 100% increase in Issue Price
Current Variable A* 73,268,358 Shares	10% Voting Dilution	7,326,836 shares	7,326,836 shares	7,326,836 shares
	Funds raised	\$2,930,734	\$5,861,469	\$11,722,937
50% increase in current Variable A* 109,902,537 Shares	10% Voting Dilution	10,990,254 shares	10,990,254 shares	10,990,254 shares
	Funds raised	\$4,396,101	\$8,792,203	\$17,584,406
100% increase in current Variable A* 146,536,716 Shares	10% Voting Dilution	14,653,672 shares	14,653,672 shares	14,653,672 shares
	Funds raised	\$5,861,469	\$11,722,937	\$23,445,875

*Note: Current Variable A refers to the calculation required by Listing Rule 7.1A.2 which, in the Company's case, equates to the current issued share capital of the Company.

45 The table has been prepared on the following assumptions:

- (a) the Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval;
- (b) 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%;
- (c) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of a share issue under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting;
- (d) the table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- (e) the issue of Shares under Listing Rule 7.1A consists only of Shares; and
- (f) the issue price is \$0.80, being the closing price of the shares on ASX on 27 September 2022.

- 46 As at the date of the Notice of Meeting, the Company has on issue 73,268,358 Shares. Subject to Shareholder approval being obtained for Resolution 6, the Company will have capacity to issue the following equity securities as at the date of the AGM:
- (a) 10,990,254 Shares (under Listing Rule 7.1); and
 - (b) 7,326,836 Shares (under Listing Rule 7.1A).¹
- 47 Listing Rule 7.1A requires Resolution 6 to be passed as a special resolution. A special resolution needs approval by at least 75% of the votes cast by members entitled to vote on the resolution.
- 48 If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 (15%) and 7.1A (10%) without any further Shareholder approval.
- 49 If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Directors' recommendation

- 50 The directors unanimously recommend that Shareholders vote in favour of this resolution.

¹ The actual number of Shares the Company will have capacity to issue under Listing Rule 7.1A may vary and will be determined at the date of issue in accordance with Listing Rule 7.1A.2 (as illustrated in the table above).

Schedule

Glossary

Annual General Meeting	means the Company's annual general meeting the subject of this Notice of Meeting.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Auditor's Report	means the auditor's report of the Company for the year ended 30 June 2022.
Board	means the board of directors of the Company.
Company	means AVADA Group Limited ACN 648 988 783.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company and Director means any one of them.
Directors' Report	means the directors' report of Company for the 2022 financial year.
Equity Securities	has the meaning set out in the Listing Rules.
Existing Constitution	means the constitution of the Company.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Financial Report	means the financial report of the Company for the year ended 30 June 2022.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director whether executive or otherwise.
Listing Rules	means the listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Remuneration Report	means the section of the Directors' Report for the 2022 financial year that is included under section 300A(1) of the Corporations Act.
Shares	means the existing fully paid ordinary shares in the Company.
Shareholder	means a person who is the registered holder of Shares.

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

AVADA Group Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of AVADA Group Ltd and entitled to attend and vote hereby appoint:

APPOINT A PROXY



the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy



or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Brisbane time) on Monday, 14 November 2022** (the **Meeting**) and at any postponement or adjournment of the Meeting.

You can attend the meeting at **McCullough Robertson's Brisbane offices at Level 11, 66 Eagle Street, Brisbane QLD 4000** or you can view a webcast of the Meeting by logging in online at <https://meetings.linkgroup.com/AVDAGM22> (refer to details in the Annual General Meeting Online Guide).

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

1 Directors' Remuneration Report

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

5 Re-election of Robert Cazzolli as a director

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

2 Re-election of Lance Edwin Hockridge as a director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

6 Approval of additional 10% capacity under Listing Rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3 Re-election of Ann-Maree Robertson as a director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

4 Re-election of Joanne Maree Willoughby as a director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Brisbane time) on Saturday, 12 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

AVADA Group Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

* During business hours (Monday to Friday, 9:00am–5:00pm)

Meeting Online Guide

Before you begin

Ensure your browser is compatible.
Check your current browser by going to the website: **whatismybrowser.com**

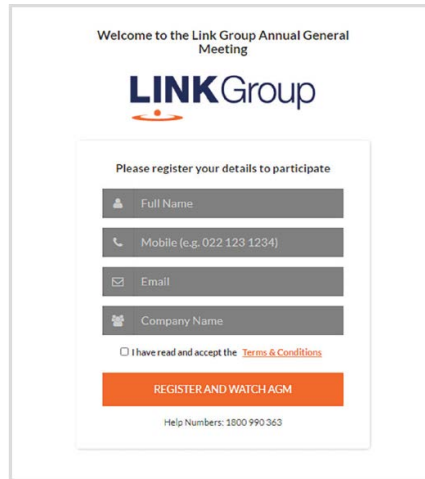
Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

To attend and ask questions you must have your securityholder number and postcode.

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

Please make sure you have this information before proceeding.



Step 1

Open your web browser and go to <https://meetings.linkgroup.com/AVDAGM22> and select the relevant meeting.

Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the **'Register and Watch Meeting'** button.

- On the left – a live webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – button for a list of company documents to download

Note: If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

Downloads

View relevant documentation in the Downloads section.

Contact us

Australia

T 1300 554 474

E info@linkmarketservices.com.au

New Zealand

T +64 9 375 5998

E enquiries@linkmarketservices.co.nz