



Wednesday 4 October 2023

Grant of Staff Performance Rights

Wrkr Ltd (the Company) notifies that it has granted 12,000,000 Class A Performance Rights to its staff under the Company's new Employee Securities Incentive Plan (Plan).

A summary of the terms of the new Plan and the Class A Performance Rights are attached.

An Appendix 3G (Notification of Issue of Unquoted Equity Securities) will be released shortly in relation to this grant of Performance Rights to staff.

Authorised by:

Jillian McGregor
Company Secretary

Summary of the Company's Employee Securities Incentive Plan

A summary of the terms of the Company's Employee Securities Incentive Plan (Plan) is set out below.

(a) **(Eligible Participant):** "Eligible Participant" means a person that has been determined by the Board to be eligible to participate in the Plan from time to time and is an "ESS participant" (as that term is defined in section 1100L of the Corporations Act 2001 (Cth) (Corporations Act) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:

- (i) an employee or director of the Company or an individual who provides services to the Company;
- (ii) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
- (iii) a prospective person to whom paragraphs (i) or (ii) apply;
- (iv) a person prescribed by the relevant regulations for such purposes; or
- (v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).

(b) **(Purpose):** The purpose of the Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to shareholder value creation; and
- (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its associated entities), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities (defined below).

(c) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the ASX Listing Rules. The Board may delegate its powers and discretion.

(d) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. A 'Security' means a security in the capital of the Company and includes a share (Share), option, performance right or other Convertible Security (defined below). An invitation issued under the Plan will comply with any applicable disclosure obligations pursuant to Division 1A of Part 7.12 of the Corporations Act (Division 1A). On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation. A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

(e) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (Participant) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

(f) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter

into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(g) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

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

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

An invitation to apply for performance rights may expressly specify that a Participant is not required to take any action to exercise vested performance rights.

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

(i) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant. If permitted by the terms of an invitation, upon exercise of a Convertible Security the Company may (at its election) instead of providing Shares to the Participant make a cash payment to the Participant in an amount equal to the Market Value (calculated at the date of exercise) of the relevant number of Shares.

(j) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the invitation or the Plan rules, any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date and any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

(k) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without

limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(l) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

(m) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

(n) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

(o) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(p) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(q) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

(r) **(Employee Share Trust):** The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding securities for holders under the Plan and delivering Plan Shares to Participants.

(s) **(Maximum allocations):**

- (i) The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of Convertible Securities) where the total number of Plan Shares that may be issued, or acquired upon exercise of Plan Convertible Securities offered, when aggregated with the number of Shares issued or that may be issued as a result of offers that were both received in Australia and made in connection with an employee share scheme at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time. This limit does not apply to offers that would not otherwise need disclosure as covered by section 1100R of the Corporations Act or to offers of Securities in respect of which no monetary consideration is payable (either upfront or on exercise of Convertible Securities).
- (ii) The Company will ensure it complies with the maximum limits in ASX Listing Rules 7.1-7.9 when issuing new Securities under the Plan. The Company will require prior shareholder approval for the issue of Securities under the Plan to directors, their associates, and any other person whose relationship with the Company or a director or a director's associate is such that, in ASX's opinion, the acquisition should be approved by shareholders. The issue of Securities with shareholder approval will not count towards the ASX Limit.

Summary of terms and conditions of Class A Performance Rights

1. **(Entitlement):** Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder to one fully paid ordinary share in the capital of the Company (**Share**).
2. **(Issue Price):** The Performance Rights are issued for nil cash consideration.
3. **(Vesting and Expiry Conditions):** Subject to the terms and conditions set out below, the Performance Rights will have the following vesting and expiry conditions specified below:

Tranche	Number of Performance Rights	Vesting Dates	Vesting Conditions and Expiry Conditions
1	33.3% of aggregate number of Performance Rights	The Tranche 1 Performance Rights will vest on 31 August 2024 (Tranche 1 Vesting Date) subject to satisfaction of the Tranche 1 Vesting Conditions.	<p>The Vesting Conditions for the Tranche 1 Performance Rights are satisfaction of all of the following:</p> <ul style="list-style-type: none"> (a) the relevant employee is employed by the Company or one of its subsidiaries as at the Tranche 1 Vesting Date; and (b) the Market Share Price of an ordinary share in the Company (Share) (as calculated as set out below) is equal to or greater than A\$0.03; and (c) the achievement by the Company and its subsidiaries (as defined in the Corporations Act 2001 (Cth)) of EBITDA for the financial year ending 30 June 2024 (as determined in accordance with Australian Accounting Standards) of (A\$1million) or better; and (d) the successful implementation of the Wrkr One platform with customers able to acquire and subscribe to the service. <p>For the purposes of the above Vesting Condition in paragraph (b), the Market Share Price is the volume weighted average price per Share traded on the ASX over the twenty (20) trading days during which Shares are actually traded immediately preceding the Tranche 1 Vesting Date.</p>

			<p>For the purposes of the above Vesting Condition in paragraph (c), the EBITDA calculation does not include:</p> <ul style="list-style-type: none"> (a) one-off or extraordinary revenue items; (b) revenue received in the form of government grants, allowances, rebates or other hand-outs; or (c) revenue or profit that has been 'manufactured' to achieve the performance milestone. <p>If these Vesting Conditions are not satisfied on the Tranche 1 Vesting Date, then the Tranche 1 Performance Rights, Tranche 2 Performance Rights and Tranche 3 Performance Rights will automatically lapse on this date.</p>
2	33.3% of aggregate number of Performance Rights	The Tranche 2 Performance Rights will vest on 31 August 2025 (Tranche 2 Vesting Date) subject to satisfaction of the Tranche 2 Vesting Conditions.	<p>The Vesting Conditions for the Tranche 2 Performance Rights are satisfaction of both the following:</p> <ul style="list-style-type: none"> (a) satisfaction of the Tranche 1 Vesting Conditions and vesting of the Tranche 1 Performance Rights; and (b) the relevant employee is employed by the Company or one of its subsidiaries as at the Tranche 2 Vesting Date. <p>If these Vesting Conditions are not satisfied on the Tranche 2 Vesting Date, then the Tranche 2 Performance Rights and Tranche 3 Performance Rights will automatically lapse on this date if they have not lapsed earlier.</p>
3	33.3% of aggregate number of Performance Rights	The Tranche 3 Performance Rights will vest on 31 August 2026 (Tranche 3 Vesting Date) subject to satisfaction of the	<p>The Vesting Conditions for the Tranche 3 Performance Rights are satisfaction of both the following:</p> <ul style="list-style-type: none"> (a) satisfaction of the Tranche 1 Vesting Conditions and vesting of the Tranche 1 Performance Rights; and

		Tranche 3 Vesting Conditions.	<p>(b) the relevant employee is employed by the Company or one of its subsidiaries as at the Tranche 3 Vesting Date.</p> <p>If these Vesting Conditions are not satisfied on the Tranche 3 Vesting Date, then the Tranche 3 Performance Rights will automatically lapse on this date if they have not lapsed earlier.</p>
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4. **(Vesting):** Subject to the satisfaction of the Vesting Conditions, the Company will notify the holder in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the relevant Vesting Conditions have been satisfied.
5. **(Expiry):** The Performance Rights will expire and lapse in accordance with the table set out in paragraph 3 of these Terms above and the terms of the Plan.
6. **(Conversion):** Upon vesting, each Performance Right will convert into one fully paid ordinary share in the Company (**Share**). The holder does not need to take any action to convert or exercise vested Performance Rights. No fee is payable by the holder to the Company to exercise or convert a Performance Right.
7. **(Issue of Shares):** As soon as practicable after the vesting of a Performance Right, the Company will:
 - (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;
 - (b) issue a substitute Certificate for any remaining unconverted Performance Rights held by the holder;
 - (c) if required, and subject to clause 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.
8. **(Restrictions on transfer of Shares):** If the Company is required to but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.
9. **(Ranking):** All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with other Shares.

10. **(Transferability of the Performance Rights):** The Performance Rights are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.
11. **(Dividend rights):** A Performance Right does not entitle the holder to any dividends.
12. **(Voting rights):** A Performance Right does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.
13. **(Quotation of the Performance Rights)** The Company will not apply for quotation of the Performance Rights on any securities exchange.
14. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder will be varied in accordance with the Listing Rules.
15. **(Entitlements and bonus issues):** Subject to the rights under clause 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.
16. **(Bonus issues):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a vested Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.
17. **(Return of capital rights):** The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
18. **(Rights on winding up):** The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
19. **(Takeovers prohibition):**
 - (a) The issue of Shares on exercise of the Performance Rights is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act.
 - (b) The Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Performance Rights.
20. **(No other rights)** A Performance Right does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
21. **(Amendments)** The terms of the Performance Rights may be amended as set out in the Plan including as considered necessary by the Board in order to comply with the Listing Rules, or any directions of ASX regarding the terms.
22. **(Plan)** The Performance Rights are issued pursuant to and are subject to the Plan.

23. **(Constitution)** Upon the issue of the Shares on exercise of the Performance Rights, the holder will be bound by the Company's Constitution.