

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Hansen Technologies Limited will be held at the Manningham Civic Centre, 699 Doncaster Road, Doncaster, Victoria on Thursday 23 November 2017 at 11:00am AEDT.

BUSINESS

A. Accounts and reports:

To table the financial report of the Company and its controlled entities and the related reports of the Directors and Auditors for the year ended 30 June 2017 and to provide members with the opportunity to raise any issues or ask any questions generally of the Directors.

B. Ordinary Resolutions:

To consider and, if thought fit, pass Resolution 1 as a non-binding resolution and Resolutions 2 to 7 (inclusive) as ordinary resolutions.

1. Adoption of Directors' Remuneration Report:

'In accordance with the requirements of the Corporations Act, adopt the Remuneration Report for the year ended 30 June 2017 as it appears in the Directors' Report within the Annual Report 2017.'

2. Re-Election of Mr Bruce Adams:

'That Mr Bruce Adams, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for Office, be and is hereby re-elected a Director of the Company.'

3. Re-Election of Mr David Trude:

'That Mr David Trude, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for Office, be and is hereby re-elected a Director of the Company.'

4. Election of Ms Jennifer Douglas

'That Ms Jennifer Douglas, a Director appointed by the Board effective from 15 February 2017 until this annual general meeting of the Company in accordance with the Company's Constitution and being eligible and having signified her candidature for Office, be and is hereby elected a Director of the Company.'

5. Approval of the Hansen Technologies Employee Performance Rights Plan

'That for the purpose of Listing Rule 7.2, Exception 9, as an exception to Listing Rule 7.1 and for all other purposes, Shareholders approve the performance rights plan known as the "Hansen Technologies Employee Performance Rights Plan" and the grant of Performance Rights and the issues of Shares under the Plan, which is summarised in the Explanatory Notes.'

6. Grant of Options to Chief Executive Officer/Managing Director Mr Andrew Hansen for financial year ended 30 June 2017

'That for the purpose of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 535,714 options to Mr Andrew Hansen under the Hansen Employee Option Plan on the terms and conditions set out in the Explanatory Notes.'

7. Grant of Performance Rights to Chief Executive Officer/Managing Director Mr Andrew Hansen for financial year ending 30 June 2018

'That for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of 175,458 Performance Rights to Mr Andrew Hansen under the Hansen Technologies Employee Performance Rights Plan on the terms and conditions set out in the Explanatory Notes.'

By Order of the Board

A handwritten signature in blue ink, appearing to be 'JC' or similar, with a stylized, flowing design.

Julia Chand - Company Secretary – 13 October 2017

EXPLANATORY NOTES

Resolution 1

Adoption of Directors' Remuneration Report

The Annual Report for the year ended 30 June 2017 contains a Remuneration Report (refer pages 16 to 26) which sets out the remuneration policy for the Company and reports remuneration arrangements in place for Directors and the key management personnel. The Remuneration Report is approved by the Board, upon recommendation from the Remuneration Committee.

The Corporations Act requires the agenda of an Annual General Meeting to include a resolution for the adoption of the Remuneration Report. The vote on the resolution is advisory only and is not binding on the Directors or the Company.

At the Meeting a reasonable opportunity will be provided to the Shareholders for discussion, questions and comments on the Remuneration Report.

Voting Prohibition:

A vote on Resolution 1 must NOT be cast by or on behalf of either of the following persons:

- (a) a member of the key management personnel as disclosed in the remuneration report; or
- (b) a closely related party (such as close family members and any controlled companies) of those persons,

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with the direction on the proxy form and the vote is not cast on behalf of a person described in items (a) or (b) above.

The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution. If the Chairman of the Meeting is appointed as your proxy, or if the Chairman of the Meeting becomes your proxy by default, and you do not provide a voting direction, you are expressly authorizing the Chairman to exercise the proxy on a Resolution that is connected directly or indirectly with the remuneration of a member of the key management personnel.

Resolutions 2 and 3

Rule 16 of the Constitution requires one third of directors (except for the Managing Director) to retire each year (by rotation).

Re-election of Mr Bruce Adams

Mr Bruce Adams retires this year in accordance with this Rule and is permitted to seek re-election. Personal particulars for Mr Bruce Adams are set out in the 'Information on Directors and Company Secretary' section in the Annual Report.

Re-election of Mr David Trude

Mr David Trude retires this year in accordance with this Rule and is permitted to seek re-election. Personal particulars for Mr David Trude are set out in the 'Information on Directors and Company Secretary' section in the Annual Report.

Resolution 4

Election of Ms Jennifer Douglas

In accordance with Rule 13.2 of the Constitution, the Board appointed Ms Jennifer Douglas as an additional Director to the Board, effective 15 February 2017. Any Director appointed under Rule 13.2

may hold office only until the next annual general meeting of the Company and is then eligible for election at that meeting.

The Board has nominated Ms Jennifer Douglas to be elected as a Director of the Company and in accordance with Rule 16.3 of the Company's Constitution has received notice in writing signed by Mr Jennifer Douglas giving consent to the nomination. Personal particulars for Ms Jennifer Douglas are set out in the 'Information on Directors and Company Secretary' section in the Annual Report and an announcement lodged with the ASX on 2 February 2017.

Resolution 5

Approval of the Hansen Technologies Employee Performance Rights Plan

Background

Resolution 5 seeks Shareholder approval for the adoption of the Hansen Technologies Employee Performance Rights Plan (the "**Performance Rights Plan**") in accordance with Exception 9 of Listing Rule 7.2. Exception 9 of Listing Rule 7.2 provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to Listing Rule 7.1

If Resolution 5 is passed, the Company will be able to issue Performance Rights under the Performance Rights Plan without impacting on the Company's ability to issue up to 15% of its issued Shares without Shareholder approval in any 3-year period.

The Performance Rights Plan has been designed to reward performance based on Company performance in terms of growth in the value of the Company and resulting increases in Shareholder value.

The Company wishes to exempt issues of securities under the Performance Rights Plan from contributing towards the rolling annual limit of 15% of issued Shares prescribed by Listing Rule 7.1.

Shareholder approval of the Performance Rights Plan is therefore sought under Listing Rule 7.2, Exception 9, whereby the Shareholders may approve in advance the issue of securities made under the Performance Rights Plan as an exception to the limit under Listing Rule 7.1.

No securities have been issued under the Performance Rights Plan and the Performance Rights Plan has not previously been approved by Shareholders.

Further information about the Performance Rights Plan is set out below. A full copy of the Performance Rights Plan is available to Shareholders from the Company on request

Reasons for the Performance Rights Plan

The Board of Directors believes that grants made to eligible participants under the Performance Rights Plan will provide a powerful tool to underpin the Company's employment strategy, and that the implementation of the Performance Rights Plan will:

- (a) enable the Company to recruit and retain talented people needed to achieve the Company's business objectives;
- (b) link the reward of key staff with the achievements of strategic goals and the long-term performance of the Company;
- (c) promote the interests of the eligible participants to focus on superior performance that creates Shareholder value; and

- (d) align the financial interest of the eligible participants with the interests of the Shareholders.

A summary of the terms and conditions of the Performance Rights Plan is set out in Schedule 2.

No securities have been issued under the Performance Rights Plan and this is the first approval sought under Listing Rule 7.2 Exception 9 with respect to the Performance Rights Plan.

Voting Exclusion

The Company will disregard any votes cast on this resolution by a Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) or by an Associate of such a Director.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6

Grant of Options to Chief Executive Officer/Managing Director Mr Andrew Hansen

Background

Resolution 6 seeks Shareholder approval for the grant of Options (“**Options**”) to Mr Andrew Hansen, the Company’s Chief Executive Officer/Managing Director as part of his overall remuneration in terms of the long-term incentive (“**LTI**”) for the financial year ended 30 June 2017. The grant of Options is considered an appropriate remuneration strategy to align the interests of Mr Andrew Hansen with those of the Company’s strategic plan focusing on optimising performance with the benefits flowing through to enhanced Shareholder returns.

The Options will be issued pursuant to the Hansen Employee Option Plan (the “**Option Plan**”).

Listing Rule 10.14

Listing Rule 10.14 provides that the approval of shareholders is required before a director can be issued securities under an employee incentive scheme. Mr Andrew Hansen is a director for the purposes of Listing Rule 10.14. Accordingly, Shareholder approval is being sought for the issue of Options to Mr Andrew Hansen.

Information required under Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided to Shareholders in relation to Resolution 6:

- (a) Executive Directors are the only directors entitled to participate in the Option Plan. Mr Andrew Hansen is presently the only Executive Director of the Company.
- (b) Up to 535,714 Options are proposed to be issued to Mr Andrew Hansen pursuant to the terms and conditions of the Option Plan. Of this, 357,143 Options (being options equal to the value of 50% of his total fixed remuneration) will vest if the targeted performance measures are achieved and up to a further 178,571 may vest upon overachievement of targets. Vesting of the Options is subject to attainment of specified targeted performance measures, as further explained below.

- (c) The Options are being issued for nil consideration.
- (d) Each Option entitles Mr Andrew Hansen to acquire, subscribe for, or be issued 1 Share.
- (e) The exercise price for the Options being granted to Mr Andrew Hansen is \$3.59 for each Option.
- (f) Vesting conditions of the Options:

The Options will vest if, over the 3-year measurement period (being 1 July 2016 to 30 June 2019) ("**Options Measurement Period**"), the targeted performance measures set out below are achieved. The vesting date will be determined by the Board following consideration of the determination of the performance measures below during the Options Measurement Period, but will be no later than 30 September 2019.

Total Shareholder Return (TSR)

Performance measures for 267,857 Options (being 50% of the total Options to be issued to Mr Andrew Hansen) are based on a TSR calculation. The TSR calculation for the Options Measurement Period will be determined based on a percentile ranking of the Company's TSR results relative to the TSR of comparable companies over the same measurement period.

TSR Calculation

TSR over the Options Measurement Period is calculated as follows:

$$\text{TSR} = (B - A + C) / A$$

Where:

A	=	the Share price at the start of the Options Measurement Period (closing price quoted on ASX on 1 July 2016)
B	=	the Share price at the end of the Options Measurement Period (closing price quoted on ASX on 30 June 2019)
C	=	Dividends paid over the Options Measurement Period

Relative TSR

The Company's TSR calculated above must be positive over the Options Measurement Period in order for the Options to vest. If the TSR is positive, the TSR calculated above will then be compared against the TSR of companies within the ASX Small Industrial Index over the same Options Measurement Period to determine if the vesting conditions have been met and if the vesting scales outlined below apply (Relative TSR).

The vesting scale for the 267,857 Options subject to the Relative TSR is as follows:

Relative TSR	Number of Options that vest
50% or less	Nil
At 50.1%	178,571
50.1% to 75% ⁽¹⁾	178,571 to 267,857 (on a linear basis) ⁽¹⁾
Greater than 75%	267,857

**Note: ⁽¹⁾ based on the additional 89,286 Options that will vest (on a linear basis) to reward overachievement targets.*

Earnings per Share (EPS)

Performance measures for 267,857 Options (being 50% of the total Options to be issued to Mr Andrew Hansen) are based on an EPS calculation. The EPS calculation for the Options

Measurement Period will be determined based on the compound annual growth rate of the Company (**CAGR**) over the Options Measurement Period.

The vesting scale for the 267,857 Options subject to EPS is as follows:

CAGR	Number of Options that vest
Less than 6%	Nil
At 6%	178,571
Between 6% and 10% ⁽²⁾	178,571 to 267,857 (on a linear basis) ⁽²⁾
Greater than 10%	267,857

**Note: ⁽²⁾ based on the additional 89,286 Options that will vest (on a linear basis) to reward overachievement targets.*

Mr Andrew Hansen must remain in the employment of the Company for the entire Options Measurement Period in order for the Options to vest.

Options that are vested will automatically lapse if not exercised before 30 June 2021.

- (g) Mr Andrew Hansen was issued 1,050,000 Options under the Option Plan in 2013. The options were issued at nil consideration as follows:
- (i) 350,000 options each having an exercise price of \$1.06;
 - (ii) 350,000 options each having an exercise price of \$1.11; and
 - (iii) 350,000 options each having an exercise price of \$1.16.
- (h) No loans have been or are to be advanced to Mr Andrew Hansen in respect of the acquisition of the Options.
- (i) The Options will be issued as soon as practical after approval is obtained from Shareholders at this Meeting (and in any event, will be issued no later than 12 months after Shareholder approval is obtained).
- (j) A voting exclusion statement in respect of Resolution 6 is set out below.

If Shareholder Approval is not obtained

If Shareholder approval is not obtained for this Resolution 6, the Board intends to grant Mr Andrew Hansen additional cash remuneration in lieu of the Options, subject to the same vesting conditions being achieved.

Chapter 2E of the Corporations Act

The proposed grant of Options under Resolution 6 to Mr Andrew Hansen involves giving a financial benefit to a Related Party for the purposes of Chapter 2E of the Corporations Act. Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a Related Party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

The Directors believe that the grant of Options is appropriate and reasonable in all circumstances, as part of the remuneration for Mr Andrew Hansen's role as the Chief Executive Officer/Managing Director. Therefore, the Company considers that the grant of the Options comes within one of the exceptions to Chapter 2E, and Shareholder approval is not required for that purpose.

Directors' Recommendation

The Directors (with the exception of Mr Andrew Hansen) recommend that Shareholders approve Resolution 6.

Voting Exclusion

The Company will disregard any votes cast on Resolution 6 by a Director (except Non-Executive Directors who are ineligible to participate in any employee incentive scheme in relation to the Company) or by an Associate of the Director.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

A member of the key management personnel or a closely related party of a member of key management personnel may not vote as a proxy on Resolution 6 if their appointment does not specify the way the proxy is to vote. However, this voting exclusion does not apply if the member of key management personnel is the Chairman of the Meeting acting as proxy and their appointment expressly authorises the Chairman of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution. If the Chairman of the Meeting is appointed as your proxy, you are expressly authorising the Chairman to exercise the proxy on a Resolution that is directly connected with the remuneration of a member of the key management personnel.

Resolution 7

Grant of Performance Rights to Chief Executive Officer/Managing Director Mr Andrew Hansen

Background

When reviewing the Company's LTI plan for the financial year ending 30 June 2018, the Board, in line with the recommendation of the Remuneration Committee, has made the decision to grant performance rights, replacing options under the LTI Plan for the financial year ending 30 June 2018.

Resolution 7 seeks Shareholder approval for the grant of Performance Rights to Mr Andrew Hansen, the Company's Chief Executive Officer/Managing Director as part of his overall remuneration in terms of the LTI for the financial year ending 30 June 2018. The Performance Rights which are subject of this Resolution 7 will be issued pursuant to the Hansen Technologies Employee Performance Rights Plan and otherwise on the terms and conditions set out in this Explanatory Notes.

The grant of Performance Rights is considered an appropriate remuneration strategy to align the interests of Mr Andrew Hansen with those of the Company's strategic plan focusing on optimising performance with the benefits flowing through to enhanced Shareholder returns.

Listing Rule 10.14

Listing Rule 10.14 provides that the approval of shareholders is required before a director can be issued securities under an employee incentive scheme. Mr Andrew Hansen is a director for the purposes of Listing Rule 10.14. Accordingly, Shareholder approval is being sought for the issue of Performance Rights to Mr Andrew Hansen.

Terms of Performance Rights

116,972 Performance Rights (being rights equal to the value of 50% of his total fixed remuneration) will be granted to Mr Andrew Hansen, which will vest if the targeted performance measures are achieved. Mr Andrew Hansen also has an additional opportunity for a further 58,486 Performance Rights to vest to reward overachievement of targets. Therefore, the total number of Performance Rights to be granted to Mr Andrew Hansen is 175,458 Performance Rights. This number was set by the Board in the context of considering Mr Andrew Hansen's remuneration package, of which the Performance Rights form a part.

The Performance Rights to be issued to Mr Andrew Hansen will be on terms consistent with the rules of the Performance Rights Plan, which is the subject of Resolution 5. A summary of the terms and conditions of the Performance Rights Plan is contained in Schedule 2, and a full copy is available to Shareholders from the Company on request.

No consideration is payable by Mr Andrew Hansen at the time of the grant of the Performance Rights or upon the allocation of Shares to which Mr Andrew Hansen may become entitled upon the Performance Rights vesting. Each Performance Right will entitle Mr Andrew Hansen to one Share, subject to satisfaction of the vesting conditions applicable to the Performance Rights.

Vesting Conditions of the Performance Rights

The Performance Rights will vest and convert into Shares if, over the 3-year measurement period (being 1 July 2017 to 30 June 2020) ("**PRP Measurement Period**"), the performance measures set out below are achieved.

Total Shareholder Return (TSR)

Performance measures for 87,729 Performance Rights (being 50% of the total Performance Rights to be issued to Mr Andrew Hansen) are based on a TSR calculation. The TSR calculation for the PRP Measurement Period will be determined based on a percentile ranking of the Company's TSR results relative to the TSR of comparable companies over the same measurement period.

TSR Calculation

TSR over the PRP Measurement Period is calculated as follows:

$$\text{TSR} = (B - A + C) / A$$

Where:

- A = the Share price at the start of the PRP Measurement Period (closing price quoted on ASX on 1 July 2017)
- B = the Share price at the end of the PRP Measurement Period (closing price quoted on ASX on 30 June 2020)
- C = Dividends paid over the PRP Measurement Period

Relative TSR

The Company's TSR calculated above must be positive over the PRP Measurement Period in order for the Performance Rights to vest. If the TSR is positive, the TSR calculated above will then be compared against the TSR of companies within the ASX Small Industrial Index over the same PRP Measurement Period to determine if the vesting conditions have been met and if the vesting scales outlined below apply (Relative TSR).

The vesting scale for the 87,729 Performance Rights subject to the Relative TSR is as follows:

Relative TSR	Number of Performance Rights that vest
Less than 50% percentile	Nil
At 50%	58,486
Between 50% and 75% ⁽³⁾	58,486 to 87,729 (on a linear basis) ⁽³⁾
Greater than 75%	87,729

**Note: ⁽³⁾ based on the additional 29,243 Performance Rights that will vest (on a linear basis) to reward overachievement targets.*

Earnings per Share (EPS)

Performance measures for 87,729 Performance Rights (being 50% of the total Performance Rights to be issued to Mr Andrew Hansen) is based on a EPS calculation. The EPS calculation for the PRP Measurement Period will be determined based on the compound annual growth rate of the Company (CAGR) over the PRP Measurement Period.

The vesting scale for the 87,729 Performance Rights subject to EPS is as follows:

CAGR	Number of Performance Rights that vest
Less than 6%	Nil
At 6%	58,486
Between 6% and 10% ⁽⁴⁾	58,486 to 87,729 (on a linear basis) ⁽⁴⁾
Greater than 75%	87,729

**Note: ⁽⁴⁾ based on the additional 29,243 Performance Rights that will vest (on a linear basis) to reward overachievement targets.*

Continuing employment

Mr Andrew Hansen must remain in the employment of the Company for the entire PRP Measurement Period in order for the Performance Rights to vest.

Information required under Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided to Shareholders in relation to Resolution 7:

- (a) The Performance Rights are proposed to be issued to Mr Andrew Hansen. Mr Andrew Hansen is an Executive Director of the Company.
- (b) Up to 175,458 Performance Rights are proposed to be issued to Mr Andrew Hansen pursuant to the terms and conditions of the Performance Rights Plan.
- (c) The Performance Rights are being issued for nil consideration. No consideration is payable upon the allocation of Shares to which Mr Andrew Hansen may become entitled upon the Performance Rights vesting.
- (d) At the date of this Notice of Meeting, no Performance Rights have been granted to Mr Andrew Hansen.
- (e) Persons eligible to participate in the Performance Rights Plan are employees, a Director or consultant of the Company, but excludes any Non-Executive Director of any Group company.
- (f) No loans have been or are to be advanced to Mr Andrew Hansen in respect of the acquisition of the Performance Rights.

(g) The Performance Rights will be issued as soon as practical after approval is obtained from Shareholders at this Meeting (and in any event, will be issued no later than 12 months after the Shareholder approval is obtained).

(h) A voting exclusion statement in respect of Resolution 7 is set out below.

If Shareholder Approval is not obtained

If Shareholder approval is not obtained for this Resolution 7, the Board intends to grant Mr Andrew Hansen additional cash remuneration in lieu of the Performance Rights, subject to the same vesting conditions being achieved.

Chapter 2E of the Corporations Act

The proposed grant of Performance Rights under Resolution 7 to Mr Andrew Hansen involves giving a financial benefit to a Related Party for the purposes of Chapter 2E of the Corporations Act. Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a Related Party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

The Directors believe that the grant of Performance Rights is appropriate and reasonable in all circumstances, as part of the remuneration for Mr Andrew Hansen's role as the Chief Executive Officer/Managing Director. Therefore, the Company considers that the grant of the Performance Rights comes within one of the exceptions to Chapter 2E, and Shareholder approval is not required for that purpose.

Directors' Recommendation

The Directors (with the exception of Mr Andrew Hansen) recommend that Shareholders approve Resolution 7.

Voting Exclusion

The Company will disregard any votes cast on Resolution 7 by a Director (except Non-Executive Directors who are ineligible to participate in any employee incentive scheme in relation to the Company) or by an Associate of the Director.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

A member of the key management personnel or a closely related party of a member of key management personnel may not vote as a proxy on Resolution 7 if their appointment does not specify the way the proxy is to vote. However, this voting exclusion does not apply if the member of key management personnel is the Chairman of the Meeting acting as proxy and their appointment expressly authorises the Chairman of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution. If the Chairman of the Meeting is appointed as your proxy, you are expressly authorising the Chairman to exercise the proxy on a Resolution that is directly connected with the remuneration of a member of the key management personnel.

GENERAL NOTES

Entitlement to Vote

The Company has determined in accordance with Part 7.11 of the Corporations Regulations that for the purpose of voting at the Meeting, shares will be taken to be held by those persons recorded in the Company's register as at 7.00pm AEDT, Tuesday 21 November 2017.

Corporate Representatives

For a corporate representative to vote, they will require a Certificate of Appointment of Corporate Representative executed in accordance with the Corporations Act.

Voting

On a show of hands, every member present in person or by Proxy or by attorney or, in the case of a corporation, by a duly appointed representative, shall have one vote and on a poll one vote for every share held provided that if a member appoints two proxies or two attorneys, neither proxy or attorney shall be entitled to vote on a show of hands.

Proxies

A member entitled to attend and vote at the Meeting may appoint one or two persons to attend and vote at the Meeting as the member's proxy. If you wish to appoint a second proxy you will need to complete a second form. Link Market Services will provide additional proxy forms upon request.

A Proxy need not be a member. If two proxies are appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If the vote split is not specified, it is deemed to be equally divided between the two proxies.

To be valid, completed Proxies must be received by the Company's Share Registry, Link Market Services Limited, by one of the following methods no later than 11.00am AEDT, Tuesday 21 November 2017:

- hand delivered to Link Market Services Limited, located at Level 12, 680 George Street, Sydney, NSW 2000, or
- posted to Hansen Technologies Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235, or
- sent by facsimile to Link Market Services Limited on (02) 9287 0309, or
- lodged online at www.linkmarketservices.com.au

To be valid, a Proxy Form must be signed by the member or an attorney duly authorised in writing. If the member is a company, the form must be executed under seal of the company or by its duly authorised officer or attorney. Where two or more persons are registered as members, each person must sign the Proxy Form.

SCHEDULE 1 – GLOSSARY

In this Notice and Explanatory Notes, the following terms have the following meaning unless the context otherwise requires.

The following terms have the following meanings in this Explanatory Notes:

A\$ or \$ means an Australian dollar.

Associate has the meaning ascribed in the Corporations Act.

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

Board means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors.

Chairman means chairman of the Board, at the time of this meeting being David Trude or alternative.

Company means Hansen Technologies Limited ABN 90 090 996 455.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a Director of the Company.

Group means the Company and any body corporate of which the Company is a holding company in terms of Section 9 and Division 6 of Part 1.2 of the Corporations Act.

Listing Rules means the Listing Rules of the ASX.

Meeting means the annual general meeting of the Company convened by this Notice of Meeting.

Notice means the Notice of Meeting accompanying this Explanatory Notes.

Options has the meaning given in the Explanatory Notes for Resolution 6.

Options Plan has the meaning given in the Explanatory Notes for Resolution 6.

Participant means a person who holds Performance Rights issued or granted under the Performance Rights Plan.

Performance Rights means the conditional entitlements to Shares granted to eligible persons under the Performance Rights Plan.

Performance Rights Plan has the meaning given in the Explanatory Notes for Resolution 5.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning ascribed in the ASX Listing Rules.

Resolutions means the resolutions put to the shareholders of the Company at this meeting.

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

Shareholder means the Company's existing shareholders at the date of the Notice of Meeting.

SCHEDULE 2 - SUMMARY TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The following is a summary of the key terms and conditions of the Performance Rights Plan to be adopted by Shareholders pursuant to Resolution 5:

(a) **Eligible Participants:** A person who is:

- (i) an employee (but excludes any non-executive director), Director, consultant of any Group company; and
- (ii) who is an eligible participant for the purposes of ASIC Class Order 14/1000,

is an eligible participant under the Performance Rights Plan. The Board may, from time to time in its sole discretion, invite any eligible participants to participate in the Performance Rights Plan by issuing an invitation.

(b) **Maximum Numbers:** The Performance Rights Plan has a fixed maximum percentage of Shares that are issuable under the Performance Rights Plan. The maximum number of Shares that are issuable under the Performance Rights Plan, when aggregated with the number of Shares issued during the previous three years pursuant to the Performance Rights Plan or any other employee incentive scheme of the Group but disregarding any offer made or Shares issued by way of or as a result of:

- (i) an offer to a person situated at the time of receipt of the offer outside Australia;
- (ii) an offer that did not need disclosure because of section 708 of the Corporations Act;
- (iii) an offer that did not require the giving of a product disclosure statement because of section 1012D of the Corporations Act; or
- (iv) an offer made under a disclosure document,

must not exceed 5% of the total number of Shares on issue.

(c) **Invitations to Participate:** Invitations to participate in the Performance Rights Plan shall contain the information set out in the Performance Rights Plan, including the number of Performance Rights being made available, vesting conditions, vesting period, the closing date for applications, and any restrictions on the Participant's right to deal with the Shares upon vesting.

Participation in the Performance Rights Plan requires the completed application form to be returned within the time period specified in the invitation.

(d) **Issue Price:** The Board may determine from time to time, the price in respect of a Performance Right, which may be nil, by specifying the issue price in the invitation.

(e) **Exercise Price:** The Board has the discretion to determine the exercise price (which may be nil) payable by a Participant to acquire a Share by the exercise of a Performance Right by specifying the exercise price in the invitation.

(f) **Performance Rights:** when vested, each Performance Right entitles the Participant to subscribe for, and be issued with the number of Shares specified in the invitation. Notwithstanding the foregoing, the Board retains the discretion to decide that the exercise of a Performance Right will be satisfied by payment in cash to the Participant.

A Performance Right does not confer a Participant the right to participate in new issues of Shares. Performance Rights will not give any right to participate in dividends or any voting rights until Shares are issued upon the exercise of vested Performance Rights.

- (g) **Shares Issued Under the Plan:** Shares issued under the Performance Rights Plan upon the vesting of Performance Rights will rank equally with all existing Shares on and from the date of issue in respect of all securities issues, rights issues, bonus share issues and dividends which have a record date for determining entitlements on or after the date of issue of those Shares. The Company must use all reasonable endeavour to obtain the grant of quotation of those Shares on ASX within 10 business days (or such period as may be required by ASIC or ASX).
- (h) **Vesting Conditions:** Vesting conditions means the conditions which must be satisfied or waived within a vesting period before a Performance Right becomes vested. The Board will determine the vesting conditions that must be satisfied by a Participant before the Performance Right vests.
- (i) **Quotation:** No application will be made for the quotation of any Performance Rights.
- (j) **Lapse of Performance Rights:** A Performance Right will lapse on the earlier occurrence of:
- (i) the Board determining that the Performance Rights will not vest due to assessment of the vesting conditions or for any other reason in the sole discretion of the Board;
 - (ii) a determination of the Board that the Participant has in the Board's opinion:
 - been dismissed or removed from office for a reason which entitles a Group Company to dismiss the Participant without notice, or has committed any act of fraud, dishonesty or serious misconduct in relation to the affairs of that company (whether or not charged with an offence); or
 - done any act which brings the Group into disrepute;
 - (iii) the Participant ceasing to be an employee (other than due to the occurrence of total and permanent disablement, death, retirement, redundancy ("**Special Circumstances**"))
 - (iv) the Participant has elected to surrender the Performance Right due to a Special Circumstance.
- (k) **Reconstruction:** If there is any reconstruction of the issued share capital of the Company, then the number of Performance Rights which each Participant has been granted must be reconstructed in a manner which will not result in any benefits being conferred on the Participants which are not conferred on Shareholders (subject to the provisions with respect to rounding of entitlements as sanctioned by the meeting of Shareholders approving the reconstruction of capital), but in all other respects, the terms of all Performance Rights will remain unchanged.
- (l) **Immediate Vesting:** Participants will be entitled to make a request to the Board to determine that all existing Performance Rights vest immediately in the event:
- (i) the Court sanctions a compromise or arrangement under Part 5.1 of the Corporations Act, for the purposes of or in connection with, a scheme of reconstruction of the Company or its amalgamation with any other company or companies, which, if implemented, would result in a change in control of the Company; or

- (ii) a takeover bid or other offer is made to acquire some or all of the issued Shares of the Company.
- (m) **Administration of the Performance Rights Plan:** The Performance Rights Plan is administered by the Board in accordance with the rules in the Performance Rights Plan. The Board may delegate their powers under the Performance Rights Plan.
- (n) **Amendments to the Performance Rights Plan:** The Board may make the following amendments to the Performance Rights Plan:
 - (i) amendments necessary to comply with the provisions of applicable law;
 - (ii) amendments necessary to enable the Company to comply with the constitution of a Group company, the Listing Rules, policy or requirement of ASIC or other Australian regulatory body;
 - (iii) amendments to correct any manifest error or mistake; and
 - (iv) amendments to take into consideration possible adverse tax implications in respect of the Performance Rights Plan.
- (o) **Termination or Suspension:** The Board has the discretion to terminate or suspend the operation of this Performance Rights Plan but the termination or suspension must not prejudice the existing rights of the Participants.