

14 September 2020

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Spirit Telecom Limited (Spirit of the Company) will be held virtually via a webinar conferencing facility at 10:30am (AEST) on Tuesday, 13 October 2020 ("Annual General Meeting", "AGM" or "Meeting").

In accordance with subsection 5(1)(f) of the Corporations (Coronavirus Economic Response) Determination (No.1) 2020 made by the Commonwealth Treasurer on 5 May 2020, the Company will not be dispatching physical copies of the Notice of Meeting. Instead the Notice of Meeting and accompanying explanatory statement (Meeting Materials) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website https://spirit.com.au/investor-centre/ or at the Company's share registry's voting website: https://investor.automic.com.au/#/loginsah.
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "STI".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at https://investor.automic.com.au. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Automic at hello@automicgroup.com.au or by phone on +61 2 9698 5414 (International) or 1300 288 664 (within Australia) between 9:00am and 5:00pm (AEST) Monday to Friday, to obtain a copy.

As a result of the potential health risks and the Governments restrictions in response to the COVID-19 pandemic, the Meeting will be held via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Yours sincerely,

Melanie Leydin Company Secretary Spirit Telecom Limited



SPIRIT TELECOM LIMITED ACN 089 224 402

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:

Tuesday, 13 October 2020

Time of Meeting:

10:30AM (AEDT)

Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the Corporations Act 2001 and the Corporations Regulations 2001 under the Corporations (Coronavirus Economic Response) Determination (no.1) 2020, **no hard copy** of the Notice of Annual General Meeting and Explanatory Statement will be circulated. The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Securities Exchange announcement platform and on the Company's website:

https://spirit.com.au/investor-centre/

SPIRIT TELECOM LIMITED

ACN 089 224 402

Registered Office: Level 4, 100 Albert Road, South Melbourne VIC 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Shareholders of Spirit Telecom Limited (Spirit or the Company) will be held virtually via a webinar conferencing facility at 10.30am (AEDT) on Tuesday, 13 October 2020 ("Annual General Meeting", "AGM" or "Meeting").

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Company at the time of preparing the Notice of Annual General Meeting (**Notice**), the Company intends to conduct a poll on the resolutions set out in the Notice using the proxies filed prior to the Meeting.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also electronically cast their votes on the proposed resolutions at the AGM. Shareholders who intend to join the Meeting are asked to dial-in 30 minutes prior to the start of the meeting to allow the Company to take your details. For Shareholders, the virtual meeting can be attended through an online platform powered by Automic, using the following details:

When: Tuesday, 13 October 2020 at 10.30am (AEDT)

To access the virtual meeting:

- 1. Open your internet browser and go to <u>investor.automic.com.au</u>
- 2. Login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting
- 3. After logging in, a banner will be displayed at the top once the meeting is open for registration, click on "**View**" when this appears
- 4. Click on "Register" and follow the steps
- 5. Click on the URL to join the webcast where you can view and listen to the virtual meeting
- 6. Once the Chair of the Meeting has declared the poll open for voting click on "**Refresh**" to be taken to the voting screen
- 7. Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted

<u>For guests</u> who wish to attend on the day, please register at the direct meeting link below prior to the meeting commencing:

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_d_AG3laWS220mA86lOdYTA

After registering, you will receive a confirmation email containing information about joining the meeting.

The Company strongly recommends its Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

The Company is happy to accept and answer questions submitted prior to the meeting by email to mleydin@leydinfreyer.com.au. Where a written question is raised in respect of the resolutions to be considered at the meeting or of the key management personnel of the Company, the Company will address the relevant question during the course of the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to the ASX.

Any shareholders who wish to attend the AGM online should therefore monitor the Company's website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: STI) and on its website at https://spirit.com.au/

SPIRIT TELECOM LIMITED

ACN 089 224 402

Registered office: Level 4, 100 Albert Road, South Melbourne Victoria 3205

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the Financial Report of the Company, together with the Directors' Report (including the Remuneration Report) and Auditor's Report as set out in the Company's Annual Report for the year ended 30 June 2020.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2020 be adopted."

Resolution 2: Election of Mr Gregory Ridder as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, Mr Gregory Ridder, having been appointed to the Board of Directors during the year, retires as a director in accordance with the Constitution of the Company and being eligible for election, be elected as a director of the Company."

Resolution 3: Election of Ms Inese Kingsmill as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, Ms Inese Kingsmill, having been appointed to the Board of Directors during the year, retires as a director in accordance with the Constitution of the Company and being eligible for election, be elected as a director of the Company."

Resolution 4: Ratification of Prior Issue of 29,000,000 Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on or about 1 July 2020 of 29,000,000 fully paid ordinary shares in the Company at a deemed issue price of \$0.20 (20 cents) per share as described in the Explanatory Statement."

Resolution 5: Ratification of Prior Issue of 55,881,401 Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on or about 27 August 2020 of 55,881,401 fully paid ordinary shares in the Company with an issue price of \$0.32 (32 cents) per share as described in the Explanatory Statement."

Resolution 6: Ratification of Prior Issue of 7,940,080 Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on or about 1 September 2020 of 7,940,080 fully paid ordinary shares in the Company at a deemed issue price of \$0.32 (32 cents) per share as described in the Explanatory Statement."

Resolution 7: Approval for participation in placement by a Director – Mr James Joughin (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve and authorise the Company to issue 156,250 fully paid ordinary shares in the Company at an issue price of \$0.32 (32 cents) per share to Mr James Joughin (or his nominee), the Chairman of the Company, on the terms and conditions described in the Explanatory Statement."

Resolution 8: Approval for participation in placement by a Director – Mr Solomon Lukatsky (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve and authorise the Company to issue 156,250 fully paid ordinary shares in the Company at an issue price of \$0.32 (32 cents) per share to Mr Solomon Lukatsky (or his nominee), the Managing Director of the Company, on the terms and conditions described in the Explanatory Statement."

Resolution 9: Approval for participation in placement by a Director – Mr Mark Dioguardi (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve and authorise the Company to issue 156,250 fully paid ordinary shares in the Company at an issue price of \$0.32 (32 cents) per share to Mr Mark Dioguardi (or his nominee), an Executive Director of the Company, on the terms and conditions described in the Explanatory Statement."

Resolution 10: Approval for participation in placement by a Director – Mr Gregory Ridder (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve and authorise the Company to issue 312,500 fully paid ordinary shares in the Company at an issue price of \$0.32 (32 cents) per share to Mr Gregory Ridder (or his nominee), a Non-Executive Director of the Company, on the terms and conditions described in the Explanatory Statement."

Resolution 11: Approval for participation in placement by a Director – Ms Inese Kingsmill (or her nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholders approve and authorise the Company to issue 187,500 fully paid ordinary shares in the Company at an issue price of \$0.32 (32 cents) per share to Ms Inese Kingsmill (or her nominee), a Non-Executive Director of the Company, on the terms and conditions described in the Explanatory Statement."

Resolution 12: Approval of proposed issue of Shares to Management

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purpose of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the proposed issue of up to 156,250 fully paid ordinary shares in the Company at an issue price of \$0.32 (32 cents) per share to Management, on the basis set out in the Explanatory Statement."

Resolution 13: Approval of once-off Grant of Performance Rights to Mr Solomon Lukatsky

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 457,456 Performance Rights to Mr Solomon Lukatsky, a Director of the Company, as Mr Lukatsky's Long Term Incentive under the Employee Incentive Plan and on the terms described in the Explanatory Memorandum."

Resolution 14: Approval of once-off Grant of Performance Rights to Mr Mark Dioguardi

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 356,816 Performance Rights to Mr Mark Dioguardi, a Director of the Company, as Mr Dioguardi's Long Term Incentive under the Employee Incentive Plan and on the terms described in the Explanatory Memorandum."

Resolution 15: Approval to Grant FY21 Performance Rights to Mr Solomon Lukatsky

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 914,913 Performance Rights to Mr Solomon Lukatsky, a Director of the Company, as Mr Lukatsky's FY21 Long Term Incentive under the Employee Incentive Plan and on the terms described in the Explanatory Memorandum."

Resolution 16: Approval to Grant FY21 Performance Rights to Mr Mark Dioguardi

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 503,202 Performance Rights to Mr Mark Dioguardi, a Director of the Company, as Mr Dioguardi's FY21 Long Term Incentive under the Employee Incentive Plan and on the terms described in the Explanatory Memorandum."

Resolution 17: Increase in Aggregate Non-Executive Director Remuneration

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of clause 22.1 of the Constitution, ASX Listing Rule 10.17, and for all other purposes, the maximum aggregated annual Directors' fees payable to Non-Executive Directors for the financial year from and including the year commencing 1 July 2020, be increased from \$300,000 per annum to \$500,000 per annum, as described in the Explanatory Statement which accompanies and forms part of this Notice."

SPECIAL BUSINESS

Resolution 18: Change of Company Name

To consider and, if thought fit, to pass the following Resolution as a special resolution:

"That, in accordance with Section 157(1) of the Corporations Act, and for all other purposes, the Company change its name from "Spirit Telecom Limited" to "Spirit Technology Solutions Ltd."

Resolution 19: Approval of amendments to the Constitution

To consider and, if thought fit, pass the following resolution as a special resolution:

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given that the constitution of Spirit Telecom Limited is amended in the manner set out in the Explanatory Statement, with effect from the conclusion of the meeting."

Resolution 20: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement"

By order of the Board

Melanie Leydin Company Secretary

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14 September 2020

Notes

- 1. Entire Notice: The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
- 2. Record Date: The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEST) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

3. Proxies

- a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- b. Each shareholder has a right to appoint one or two proxies.
- c. A proxy need not be a shareholder of the Company.
- d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
- g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
- h. To be effective, Proxy Forms must be received by the Company's share registry (Automic) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10:30am (AEDT) on Sunday, 11 October 2020. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chairman will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution 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 (**KMP voter**), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - a. does not specify the way the proxy is to vote on the resolution; and
 - b. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2

There is no voting exclusion on this resolution.

Resolution 3

There is no voting exclusion on this resolution.

Resolution 4

The Company will disregard any votes cast in favour on the Resolution by any person who participated in the issue of shares and any associates of those persons.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - · the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5

The Company will disregard any votes cast in favour on the Resolution by any person who participated in the issue of shares and any associates of those persons.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6

The Company will disregard any votes cast in favour on the Resolution by any person who participated in the issue of shares and any associates of those persons.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Joughin and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Lukatsky and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Dioguardi and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 10

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Ridder and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - · the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 11

The Company will disregard any votes cast in favour on the Resolution by:

- Ms Kingsmill and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 12

The Company will disregard any votes cast in favour on the Resolution by any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the *chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- 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 resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 13 and 14

The Company will disregard any votes cast in favour of Resolutions 13 and 14 by or on behalf of:

- Mr Sol Lukatsky in relation to Resolution 13 and Mr Mark Dioguardi in relation to Resolution 14 and any of their Associates, regardless of the capacity in which the votes are cast;
- a director who is eligible to participate in the employee incentive scheme, or an associate of a Director, or an associate of the person referred to in listing rule 10.14.1 and 10.14.2.
- as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such a person,

unless the votes are cast as a proxy for a person who is entitled to vote on Resolutions 13 and 14:

- in accordance with a direction in the proxy appointment or as an attorney;
- by the Chair of the meeting in accordance with express authorisation in the proxy appointment or as an attorney to cast votes
 even if Resolutions 13 and 14 are connected directly or indirectly with the remuneration of a member of Key Management
 Personnel: and
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 15

The Company will disregard any votes cast on Resolution 15 by or on behalf of:

- Mr Sol Lukatsky and any of his Associates, regardless of the capacity in which the votes are cast;
- a director who is eligible to participate in the employee incentive scheme, or an associate of a Director, or an associate of the person referred to in listing rule 10.14.1 and 10.14.2.
- as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such as member.

unless the votes are cast as a proxy for a person who is entitled to vote on Resolution 15:

- in accordance with a direction in the proxy appointment or as an attorney;
- by the Chair of the meeting in accordance with an express authorisation in the proxy appointment or as an attorney to cast votes even if Resolution 15 is connected directly or indirectly with the remuneration of a member of Key Management Personnel; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that:
 - (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 Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 16

The Company will disregard any votes cast on Resolution 16 by or on behalf of:

- Mr Mark Dioguardi and any of his Associates, regardless of the capacity in which the votes are cast;
- a director who is eligible to participate in the employee incentive scheme, or an associate of a Director, or an associate of the person referred to in listing rule 10.14.1 and 10.14.2.
- as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such as member,

unless the votes are cast as a proxy for a person who is entitled to vote on Resolution 16:

- in accordance with a direction in the proxy appointment or as an attorney;
- by the Chair of the meeting in accordance with an express authorisation in the proxy appointment or as an attorney to cast votes
 even if Resolution 16 is connected directly or indirectly with the remuneration of a member of Key Management Personnel; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that:
 - (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 Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 17

The Company will disregard any votes cast on Resolution 17:

- in favour of the resolution by or on behalf of any Directors or any associate of a Director, regardless of the capacity in which the vote is cast: or
- · as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties,

unless the vote is cast on Resolution 17:

- 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
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- by the Chairman of the meeting, as proxy for a person entitled to vote on the resolution, and the appointment expressly
 authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a
 member of the key management personnel for the company; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate or a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 18

There is no voting exclusion on this resolution.

Resolution 19

There is no voting exclusion on this resolution.

Resolution 20

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

7. Enquiries

Shareholders are invited to contact the Company Secretary on +61 3 9692 7222 if they have any queries in respect of the matters set out in these documents

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement ("Statement") accompanies and forms part of the Company's Notice of Annual General Meeting ("Notice") for the 2020 Annual General Meeting ("Meeting") will be held virtually via a webinar conferencing facility at 10.30am (AEDT) on Tuesday, 13 October 2020.

The Notice incorporates, and should be read together, with this Statement.

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2020 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: https://spirit.com.au/investor-centre/ or via the Company's announcement platform on ASX. Except for as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on, the 2020 Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company's 2020 Annual Financial Statements.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2020 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for reelection.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty five (25%) per cent of the total votes cast on that resolution and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Directors Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

Voting Exclusions

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution 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 (KMP voter), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (iii) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (iv) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2: Election of Mr Gregory Ridder as a Director of the Company

Background

Mr Gregory Ridder was appointed as a Non-Executive Director on 21 November 2019 as a casual vacancy and is eligible for election.

Mr Ridder is currently the Chairman of Kogan.com. Formerly Asia Pacific Regional President at NYSE listed Owens-Illinois, Greg led growth and diversification from its traditional Australian base through

joint ventures and acquisitions in China and Southeast Asia. Recently he has focused on intensive business improvement, acting as CEO at the Australian Institute of Architects, CEO at Phoenix Australia and as CFO at World Vision Australia. Greg is experienced in leading businesses in multiple countries, cultures, economic circumstances and market conditions.

Board Recommendation

The Board (with Mr Ridder abstaining), recommends that shareholders vote in favour of the election of Mr Ridder.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolution 3: Election of Ms Inese Kingsmill as a Director of the Company

Background

Ms Inese Kingsmill was appointed as a Non-Executive Director on 1 July 2020 as a casual vacancy and is eligible for election.

Inese brings over 20 years of experience in major corporations and is recognised as one of Australia's most effective customer-focused business leaders. Her wealth of experience saw Inese drive growth and transform brands and culture across large enterprises including Microsoft, Telstra, Virgin Australia and is currently a Non-Executive Director of ASX listed IT Professional Services company, Rhipe Limited.

Inese spent 16 years leading various functions at Microsoft, including oversight of marketing, the SMB customer segment and partner channel. She has held multiple senior roles with Telstra, driving enterprise wide transformation of the business, culture and brand. More recently, Inese held the position of Chief Marketing Officer at Virgin Australia where she was accountable for growth of the digital channel as well as marketing.

Board Recommendation

The Board (with Ms Kingsmill abstaining), recommends that shareholders vote in favour of the election of Ms Kingsmill.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolution 4: Ratification of Prior Issue of 29,000,000 Shares

Background

The Company is seeking shareholder approval to ratify the issue on or about 1 July 2020 of 29,000,000 fully paid ordinary shares, subject to voluntary escrow until 1 July 2021 to the vendors of the VPDA Group acquisition as part consideration, in accordance with the ASX announcements dated 26 June 2020 and 1 July 2020.

ASX Listing Rules

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of Shares was within the Company's ASX Listing Rule 7.1 placement capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued is 29,000,000;
- (b) the Shares were issued at a deemed issue price of \$0.20 (20 cents) per share;
- (c) the Shares allotted and issued rank pari pasu with all existing securities of their class, and are subject to voluntary escrow until 1 July 2021;
- (d) the Shares were allotted and issued to the vendors as follows:

Vendors	Shares
Briggs Group Consulting Pty Ltd as Trustee of the L & C Briggs Family	12,578,750
Trust	
Briggs Group Consulting Pty Ltd	1,921,250
Wade Technologies Pty Ltd as Trustee of the Wade Family Trust	12,578,750
Wade Technologies Pty Ltd	1,921,250
Total	29,000,000

(e) there were no funds raised from the issue of shares, as the shares were issued as part consideration for the VPDA Group acquisition.

Board Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 29,000,000 Shares as described above.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by any person who participated in the issue of shares and any associates of those persons.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and

• the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5: Ratification of Prior Issue of 55,881,401 Shares

Background

The Company is seeking shareholder approval to ratify the issue on or about 27 August 2020 of 55,881,401 fully paid ordinary shares to institutional and sophisticated investors under the Tranche 1 Placement, in accordance with the ASX announcement dated 20 August 2020.

ASX Listing Rules

ASX Listing Rules 7.1 and 7.1A allow the Company to issue new securities up to 25% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The issue of Shares under the Tranche 1 Placement was within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rules 7.1 and 7.1A if the issue did not breach ASX Listing Rules 7.1 and 7.1A at the time and shareholders subsequently approve it. The issue of Shares was within the Company's ASX Listing Rule 7.1 and 7.1A placement capacity and the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

If Resolution 5 is approved, the prior issue of the 55,881,401 Shares under the Tranche 1 Placement may be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1 and 7.1A. The Company will therefore be able to issue additional equity securities without the Tranche 1 Placement Shares the subject of Resolution 5 counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1 or the 10% facility limit for the purposes of ASX Listing Rule 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) The number of shares allotted and issued was 55,881,401 fully paid ordinary shares in the Company;
- (b) The shares were issued at an issue price of \$0.32 (32 cents) per Share;
- (c) The securities issued rank pari pasu with all existing securities of their class;
- (d) The shares were allotted and issued to clients of Shaw and Partners who are institutional and sophisticated investors; and
- (e) Funds raised from the Tranche 1 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 55,881,401 fully paid ordinary shares as described above.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by any person who participated in the issue of shares and any associates of those persons.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6: Ratification of Prior Issue of 7,940,080 Shares

Background

The Company is seeking shareholder approval to ratify the issue on or about 1 September 2020 of 7,940,080 fully paid ordinary shares, subject to voluntary escrow until 1 September 2021 to the vendors of the three acquisitions (Reliance IT, Beachhead Group and Altitude IT) as part consideration, in accordance with the ASX announcements dated 20 August 2020 and 1 September 2020.

ASX Listing Rules

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of Shares was within the Company's ASX Listing Rule 7.1 placement capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the total number of fully paid ordinary shares in the Company that were issued is 7,940,080;
- (b) the Shares were issued at a deemed issue price of \$0.32 (32 cents) per share;
- (c) the Shares allotted and issued rank pari pasu with all existing securities of their class, and are subject to voluntary escrow until 1 September 2021;
- (d) the Shares were allotted and issued to the vendors as follows:

Vendors	Shares
LPB Corporate Pty Ltd	4,612,204
Mandich Pty Ltd As Trustee for Mandich Family Trust	1,385,900
Burt Desire Mascareigne	207,088
Seabec Investments Pty Ltd as trustee for the Boyd Family Trust	1,734,888
Total	7,940,080

(e) there were no funds raised from the issue of shares, as the shares were issued as part consideration in relation to the three acquisitions (Reliance IT, Beachhead Group and Altitude IT).

Board Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 7,940,080 Shares as described above.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by any person who participated in the issue of shares and any associates of those persons.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7: Approval for Participation in Placement by Director – Mr James Joughin (or his nominee)

Background

On 20 August 2020, the Company announced that it had completed a Capital Raising, comprising of a two Tranche Placement and that certain Directors of the Company would, subject to shareholder approval, participate in the Tranche 2 Placement as summarised below:

Director	Number of Shares	Issue price per Share Funds raised	
Mr James Joughin (or his	156,250	\$0.32 (32 cents)	\$50,000.00
nominee)			

Resolution 7 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Shares to the above-named Director of the Company.

If Resolution 7 is approved, the abovenamed Director of the Company will participate in the Placement. The willingness of this Director to subscribe for Shares under the Placement is confirmation of their faith in the Company and its business.

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Director of the Company in the Placement is required under ASX Listing Rule 10.11.

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11 for Resolution 7:

- (a) the Shares will be issued to Mr James Joughin (or his nominee);
- (b) approval for Mr Joughin is sought under ASX Listing Rule 10.11.1, being a Director of the Company;
- (c) the maximum number of Shares to be issued to Mr James Joughin (or his nominee) is set out in the above table;
- (d) the Shares will be issued not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on Thursday, 15 October 2020;
- (e) the Shares will be issued at an issue price (payable in cash) of \$0.32 (32 cents) per Share;
- (f) the Shares will rank equally in all respects with the existing Shares on issue in the Company; and
- (g) the funds raised from the Tranche 2 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

The Board (with Mr Joughin abstaining) recommends that Shareholders vote in favour of Resolution 7.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Joughin and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and

• the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8: Approval for Participation in Placement by Director – Mr Solomon Lukatsky (or his nominee)

Background

On 20 August 2020, the Company announced that it had completed a Capital Raising, comprising of a two Tranche Placement and that certain Directors of the Company would, subject to shareholder approval, participate in the Tranche 2 Placement as summarised below:

Director	Number of Shares		Funds raised	
Mr Solomon Lukatsky (or his	156,250	\$0.32 (32 cents)	\$50,000.00	
nominee)				

Resolution 8 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Shares to the above-named Director of the Company.

If Resolution 8 is approved, the abovenamed Director of the Company will participate in the Placement. The willingness of this Director to subscribe for Shares under the Placement is confirmation of their faith in the Company and its business.

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Director of the Company in the Placement is required under ASX Listing Rule 10.11.

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11 for Resolution 8:

- (a) the Shares will be issued to Mr Solomon Lukatsky (or his nominee);
- (b) approval for Mr Lukatsky is sought under ASX Listing Rule 10.11.1, being a Director of the Company;
- (c) the maximum number of Shares to be issued to Mr Solomon Lukatsky (or his nominee) is set out in the above table:
- (d) the Shares will be issued not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on Thursday, 15 October 2020;
- (e) the Shares will be issued at an issue price (payable in cash) of \$0.32 (32 cents) per Share;
- (f) the Shares will rank equally in all respects with the existing Shares on issue in the Company; and
- (g) the funds raised from the Tranche 2 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

The Board (with Mr Lukatsky abstaining) recommends that Shareholders vote in favour of Resolution 8.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Lukatsky and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides: or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9: Approval for Participation in Placement by Director – Mr Mark Dioguardi (or his nominee)

Background

On 20 August 2020, the Company announced that it had completed a Capital Raising, comprising of a two Tranche Placement and that certain Directors of the Company would, subject to shareholder approval, participate in the Tranche 2 Placement as summarised below:

Director	Number of Shares	Issue price per Share	Funds raised
Mr Mark Dioguardi (or his	156,250	\$0.32 (32 cents)	\$50,000.00
nominee)			

Resolution 9 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Shares to the above-named Director of the Company.

If Resolution 9 is approved, the abovenamed Director of the Company will participate in the Placement. The willingness of this Director to subscribe for Shares under the Placement is confirmation of their faith in the Company and its business.

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the

Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Director of the Company in the Placement is required under ASX Listing Rule 10.11.

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11 for Resolution 9:

- (a) the Shares will be issued to Mr Mark Dioguardi (or his nominee);
- (b) approval for Mr Dioguardi is sought under ASX Listing Rule 10.11.1, being a Director of the Company;
- (c) the maximum number of Shares to be issued to Mr Mark Dioguardi (or his nominee) is set out in the above table:
- (d) the Shares will be issued not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on Thursday, 15 October 2020;
- (e) the Shares will be issued at an issue price (payable in cash) of \$0.32 (32 cents) per Share;
- (f) the Shares will rank equally in all respects with the existing Shares on issue in the Company; and
- (g) the funds raised from the Tranche 2 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

The Board (with Mr Dioguardi abstaining) recommends that Shareholders vote in favour of Resolution 9.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Dioguardi and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 10: Approval for Participation in Placement by Director – Mr Gregory Ridder (or his nominee)

Background

On 20 August 2020, the Company announced that it had completed a Capital Raising, comprising of a two Tranche Placement and that certain Directors of the Company would, subject to shareholder approval, participate in the Tranche 2 Placement as summarised below:

Director	Number of Shares	Issue price per Share Funds raised	
Mr Gregory Ridder (or his	312,500	\$0.32 (32 cents)	\$100,000.00
nominee)			

Resolution 10 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Shares to the above-named Director of the Company.

If Resolution 10 is approved, the abovenamed Director of the Company will participate in the Placement. The willingness of this Director to subscribe for Shares under the Placement is confirmation of their faith in the Company and its business.

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Director of the Company in the Placement is required under ASX Listing Rule 10.11.

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11 for Resolution 10:

- (a) the Shares will be issued to Mr Gregory Ridder (or his nominee);
- (b) approval for Mr Ridder is sought under ASX Listing Rule 10.11.1, being a Director of the Company;
- (c) the maximum number of Shares to be issued to Mr Gregory Ridder (or his nominee) is set out in the above table:
- (d) the Shares will be issued not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on Thursday, 15 October 2020;
- (e) the Shares will be issued at an issue price (payable in cash) of \$0.32 (32 cents) per Share;
- (f) the Shares will rank equally in all respects with the existing Shares on issue in the Company; and
- (g) the funds raised from the Tranche 2 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

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

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by:

- Mr Ridder and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

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

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 11: Approval for Participation in Placement by Director – Ms Inese Kingsmill (or her nominee)

Background

On 20 August 2020, the Company announced that it had completed a Capital Raising, comprising of a two Tranche Placement and that certain Directors of the Company would, subject to shareholder approval, participate in the Tranche 2 Placement as summarised below:

Director	Number of Shares	Issue price per Share	Funds raised
Ms Inese Kingsmill (or her	187,500	\$0.32 (32 cents)	\$60,000.00
nominee)			

Resolution 11 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 and for all other purposes, for the issue of Shares to the above-named Director of the Company.

If Resolution 11 is approved, the abovenamed Director of the Company will participate in the Placement. The willingness of this Director to subscribe for Shares under the Placement is confirmation of their faith in the Company and its business.

ASX Listing Rules

ASX Listing Rule 10.11 provides that a listed company must not (subject to specified exceptions) issue or agree to issue equity securities to a related party without shareholder approval. Directors of the Company are related parties of the Company and therefore Shareholder approval for the participation of the abovenamed Director of the Company in the Placement is required under ASX Listing Rule 10.11.

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11 for Resolution 11:

- (a) the Shares will be issued to Ms Inese Kingsmill (or her nominee);
- (b) approval for Ms Kingsmill is sought under ASX Listing Rule 10.11.1, being a Director of the Company;
- (c) the maximum number of Shares to be issued to Ms Inese Kingsmill (or her nominee) is set out in the above table:
- (d) the Shares will be issued not later than one month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on Thursday, 15 October 2020;
- (e) the Shares will be issued at an issue price (payable in cash) of \$0.32 (32 cents) per Share;
- (f) the Shares will rank equally in all respects with the existing Shares on issue in the Company; and
- (g) the funds raised from the Tranche 2 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

The Board (with Ms Kingsmill abstaining) recommends that Shareholders vote in favour of Resolution

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by:

- Ms Kingsmill and any other person who will obtain a material benefit as a result of the issue of shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- an associate of any person referred to in the preceding paragraph.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 12: Approval of proposed issue of Shares to Management

Background

On 20 August 2020, the Company announced that it had completed a Capital Raising, comprising of a two Tranche Placement and that management are expected to participate in Tranche 2 of the Placement, subject to shareholder approval.

- (a) the first tranche which raised approximately \$17.88M is the subject of Resolution 5 above; and
- (b) the second tranche for the balance of approximately \$0.36M is subject to shareholder approval.

The Company is seeking shareholder approval to approve the proposed issue of a second tranche of 156,250 Shares to management at an issue price of \$0.32 (32 cents) per Share. The allotment of shares is proposed to take place on Thursday, 15 October 2020, subject to shareholder approval.

The purpose of seeking shareholder approval is that at the time the Company agreed to issue the second tranche of shares, it did not have sufficient placement capacity to do so. Accordingly, the second tranche is conditional on shareholder approval which is needed to complete the share issue.

ASX Listing Rules

The following information is provided in accordance with Listing Rule 7.3 in relation to the second tranche placement and Resolution 12:

- (a) the total number of fully paid ordinary Shares in the Company to be issued is 156,250;
- (b) the Shares will be issued not later than three months after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on Thursday, 15 October 2020;
- (c) the Shares are to be issued at a price of \$0.32 (32 cents) per Share;
- (d) the Shares will rank equally with the existing Shares on issue;
- (e) the Shares are proposed to be allotted and issued to Management; and
- (f) the funds raised from the Tranche 2 Placement will be used to fund the three acquisitions as announced on 20 August 2020, strengthen the balance sheet to take advantage of potential acquisition opportunities, expand existing products, infrastructure and branding, general working capital and pay the costs of the Capital Raising.

Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 12.

Voting Exclusions

The Company will disregard any votes cast in favour on the Resolution by any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

- a person as a 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
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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 resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolutions 13 & 14: Approval of once-off Grant of Performance Rights to Mr Solomon Lukatsky and Mr Mark Dioguardi

Background

Resolution 13 and 14 of this Notice provides for a once-off grant of \$100,000 and \$78,000 worth of Performance Rights to Mr Sol Lukatsky and Mr Mark Dioguardi respectively, on the terms described below.

Performance Rights are proposed to be granted to Mr Sol Lukatsky and Mr Mark Dioguardi to align their interests with the interests of Shareholders. The grant of the Performance Rights (and the subsequent issue of Shares if certain vesting conditions are met) to Mr Sol Lukatsky and Mr Mark Dioguardi is a cash retentive form of remuneration when compared to the payment of cash consideration.

It should also be noted that the extent to which these rights will vest is dependent on share price performance and continued employment hurdles, which is intended to align the interests of all Shareholders. It is also noted that this once-off grant satisfies the amounts of \$100,000 and \$78,000 that Mr Lukatsky and Mr Dioguardi are entitled to in accordance with their Employment Agreements, respectively. Further it is noted that FY20 was a transition year in relation to the appointment of Mr Lukatsky as Managing Director of the Company. Mr Lukatsky and Mr Dioguardi are also entitled to a Long-term Incentive ('LTI') on an annual basis going forward each year, subject to shareholder approval.

The establishment of an effective performance management system assists in maintaining a focus on delivering superior shareholder returns. A key role of this program is to ensure that this objective is achieved. It should be recognised that the achievement of these objectives will be to the benefit of all Shareholders, and the conversion of the performance rights can only occur if these hurdles are met.

Consistent with the desire to minimise cash expenditures, the Board believes that in order to incentivise Mr Lukatsky and Mr Dioguardi in line with current market practices, Performance Rights provide an appropriate and meaningful remuneration component to executive management that is aligned with Shareholder interests.

Terms of Performance Rights

Resolution 13 and 14 of this Notice provides for a total of \$100,000 and \$78,000 worth of Performance Rights, to be granted to Mr Lukatsky and Mr Dioguardi under the Employee Incentive Plan (**EIP**), being 457,456 and 356,816 Performance Rights respectively, which has been determined by dividing

Mr Lukatsky and Mr Dioguardi's entitlement amounts, being \$100,000 and \$78,000 respectively, by the Volume Weighted Average Price ("VWAP") of the Company's shares on the ASX for the month of June 2020, being \$0.2186, noting these numbers have been rounded. The Performance Rights will be issued to Mr Lukatsky and Mr Dioguardi for nil consideration. The vesting of the Performance Rights is contingent on both the share price of the Company reaching \$0.30 (30 cents) at any time between grant and 1 July 2023, and continued employment up until 1 July 2023 (**Performance Hurdles**). The Performance Rights will expire 3 years follow the grant date (**Expiry Date**).

Cessation of employment

Where Mr Lukatsky or Mr Dioguardi ceases employment as a 'bad leaver' (which includes by resignation or dismissal for cause or poor performance), unvested Performance Rights will immediately lapse and any vested Performance Rights may be exercised within 60 days of ceasing employment if permitted by the Company's securities dealing policy, or within 60 days of restrictions ceasing to apply under the Company's securities dealing policy. Vested Performance Rights that are not exercised by this time will lapse.

In all other circumstances, a pro rata portion of unvested Performance Rights will remain on foot and will vest and become exercisable in the normal course subject to the original conditions, as though Mr Lukatsky or Mr Dioguardi had not ceased employment. The remaining portion of unvested Performance Rights will lapse immediately. Any vested Performance Rights will remain on foot and may be exercised until the expiry date.

However, the Board retains discretion under the EIP to determine to treat any unvested Performance Rights other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment.

Change of control

If a corporate control event is likely to occur, the Board has a discretion to determine that that some or all of the Performance Rights vest and become exercisable or lapse. If a corporate control event occurs prior to the Board exercising its discretion, all unvested Performance Rights granted will automatically vest and become exercisable into Shares, irrespective of whether Performance Hurdles have been achieved.

Clawback

Under the EIP, the Board has broad "clawback" powers to determine that the Performance Rights lapse or any Shares allocated on vesting are forfeited in certain circumstances, including for example in the case of a breach of duties to a Group company or fraud or misconduct.

Restrictions on dealing

Mr Lukatsky or Mr Dioguardi may not deal, with or enter into any arrangement for the purpose of hedging, Performance Rights prior to vesting.

Legal Requirements - Listing Rule 10.14

Listing Rule 10.14 provides that a company must not permit a Director or their associates to acquire securities under an employee incentive scheme without Shareholder approval (unless an exception applies). The Board is therefore seeking shareholder approval to grant Performance Rights to Mr Lukatsky and Mr Dioguardi on the terms set out above and under the EIP.

The EIP constitutes an "employee incentive scheme" under the ASX Listing Rules and no relevant exception applies.

Disclosures for the purposes of Listing Rule 10.14

The following disclosures are made for the purposes of Listing Rule 10.15:

- (a) the related parties are Mr Lukatsky and Mr Dioguardi;
- (b) approval for Mr Lukatsky and Mr Dioguardi is sought under ASX Listing Rule 10.14.1, being Directors of the Company;
- (c) the maximum number of Performance Rights to be granted to Mr Lukatsky and Mr Dioguardi is 457,456 and 356,816, respectively.
- (d) Mr Lukatsky's and Mr Dioguardi's remuneration packages are as follows:

Director	Nature	Remuneration Package Details
Mr Solomon Lukatsky	Managing Director	Effective 1 July 2020, fixed remuneration of \$400,000 per annum, plus 10% superannuation. In 2021 financial year Mr Lukatsky will be entitled to a potential short-term incentive (STI) of up to \$200,000, representing 50% of his base remuneration (excluding superannuation), with KPI's to be determined no later than September 30, 2020. Mr Lukatsky will also be entitled to a potential long-term incentive (LTI) of up to \$200,000, representing 50% of his base remuneration (excluding superannuation) subject to shareholder approval. The performance measures will be determined no later than September 30, 2020.
Mr Mark Dioguardi	Executive Director and Chief Operating Officer	Effective 1 July 2020, fixed remuneration of \$330,000 per annum, plus 10% superannuation. In 2021 financial year Mr Dioguardi will be entitled to a potential short-term incentive (STI) of up to \$110,000, representing 33.3% of his base remuneration (excluding superannuation), with KPI's to be determined no later than September 30, 2020. Mr Dioguardi will also be entitled to a potential long-term incentive (LTI) of up to \$110,000, representing 33.3% of his base remuneration (excluding superannuation) subject to shareholder approval. The performance measures will be determined no later than September 30, 2020.

In addition, it is noted that Mr Lukatsky's and Mr Dioguardi's security interests in the Company are currently as follows (not including any potential grant of Performance Rights or Shares, the subject of Resolutions 8, 9, 13, 14, 15 and 16):

Mr Lukatsky's security interests in the Company are:

i. 2,957,755 fully paid ordinary shares; and

- ii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.15 (15 cents) per option, expiring 1 July 2023.
- iii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.18 (18 cents) per option, expiring 1 July 2023
- iv. 3,000,000 unlisted options, vesting on 1 July 2022 exercisable at \$0.215 (21.5 cents) per option, expiring 1 July 2023
- v. 247,059 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 12 September 2021

Mr Dioguardi's security interests in the Company are:

- i. 1,287,878 fully paid ordinary shares; and
- ii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.15 (15 cents) per option, expiring 1 July 2023.
- iii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.18 (18 cents) per option, expiring 1 July 2023
- iv. 3,000,000 unlisted options, vesting on 1 July 2022 exercisable at \$0.215 (21.5 cents) per option, expiring 1 July 2023
- v. 520,000 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 18 February 2022
- (e) securities previously granted to Mr Lukatsky and Mr Dioguardi under the plan are as follows:

Issue Date	Director	Unlisted Options	Performance Rights	Issue Price
18 February 2019	Mark Dioguardi	-	520,000	Nil
14 May 2019	Solomon Lukatsky	9,000,000	-	Nil
14 May 2019	Mark Dioguardi	9,000,000	-	Nil

- (f) the Performance Rights will vest subject to both the share price of the Company reaching \$0.30 (30 cents) at any time between grant and 1 July 2023, and continued employment up until 1 July 2023. The total value the entity attributes to the grant of Performance Rights to Mr Lukatsky and Mr Dioguardi is \$100,000 and \$78,000 respectively. Subject to the satisfaction of the vesting conditions described above, Mr Lukatsky and Mr Dioguardi will receive one Share in the Company for each Performance Right exercised.
- (g) the entity expects to issue the Performance Rights within one month after the date of the meeting, and in any event, no later than 3 years after the date of the meeting.
- (h) the Performance Rights will be granted to Mr Lukatsky and Mr Dioguardi at Nil issue price.
- (i) the material terms of the plan can be found in Annexure 1 to this explanatory statement.
- (j) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Lukatsky or Mr Dioguardi.
- (k) details of any Performance Rights issued under the EIP will be published in each annual report of the Company relating to a period in which the Performance Rights have been issued in addition to the statement that the securities were issued under ASX Listing Rule 10.14;
- (I) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the EIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and

(m) if approval is given under ASX Listing Rule 10.14, approval will not be sought under ASX Listing Rule 7.1.

Termination Benefits approval – section 200B and s200E Corporations Act

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Mr Lukatsky's or Mr Dioguardi's unvested Performance Rights in the event Mr Lukatsky or Mr Dioguardi ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefits for the purposes of the Corporations Act. Where Mr Lukatsky or Mr Dioguardi ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Lukatsky's or Mr Dioguardi's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the resolution is passed until the conclusion of the 2023 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Performance Rights given in connection with Mr Lukatsky or Mr Dioguardi ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Lukatsky and Mr Dioguardi prior to cessation of their employment;
- the date when, and circumstances in which, Mr Lukatsky or Mr Dioguardi ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Lukatsky or Mr Dioguardi; and
- the market price of the Company's shares on ASX on the date Shares are provided to Mr Lukatsky or Mr Dioguardi upon vesting of the Performance Rights.

Board Recommendation

The Board (with Mr Lukatsky and Mr Dioguardi abstaining in relation to each of their own Performance Rights) recommends that shareholders vote in favour of Resolutions 13 and 14.

Voting Exclusions

The Company will disregard any votes cast in favour of Resolutions 13 and 14 by or on behalf of:

- Mr Sol Lukatsky in relation to Resolution 13 and Mr Mark Dioguardi in relation to Resolution 14 and any of their Associates, regardless of the capacity in which the votes are cast;
- a director who is eligible to participate in the employee incentive scheme, or an associate of a Director, or an associate of the person referred to in listing rule 10.14.1 and 10.14.2.

• as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such a person,

unless the votes are cast as a proxy for a person who is entitled to vote on Resolutions 13 and 14:

- in accordance with a direction in the proxy appointment or as an attorney;
- by the Chair of the meeting in accordance with express authorisation in the proxy appointment or as an attorney to cast votes even if Resolutions 13 and 14 are connected directly or indirectly with the remuneration of a member of Key Management Personnel; and
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 15: Approval to Grant FY21 Performance Rights to Mr Solomon Lukatsky

Background

Resolution 15 of this Notice seeks Shareholder approval to grant 914,913 Performance Rights to Mr Sol Lukatsky as his FY21 long term incentive on the terms described below and in accordance with the Company's Employee Incentive Plan (**EIP**), as well as approval for the issue of any Shares on vesting and exercise of those Performance Rights.

Performance Rights are proposed to be granted to Mr Lukatsky to further enhance the alignment of his interests with the interests of Shareholders.

It is proposed that Mr Lukatsky be granted 914,913 Performance Rights, which has been determined by dividing Mr Lukatsky's maximum FY21 LTI opportunity, being \$200,000, by the volume weighted average price (**VWAP**) of the Company's shares on the ASX for the month of June 2020, being \$0.2186, noting that these numbers have been rounded.

As the Performance Rights will form part of Mr Lukatsky's remuneration, they will be granted for no cash payment and there will be no amount payable on vesting. Each vested Performance Right entitles Mr Lukatsky to be issued one ordinary fully paid share in the Company, or equivalent cash payment, on vesting. Prior to vesting, Performance Rights do not entitle Mr Lukatsky to any dividends or voting rights.

Under the terms of the grant, 50% of the Performance Rights will only vest upon the shareholder returns generated by the Company outperforming a group of peer companies, and 50% will only vest on meeting/exceeding budgeted Return on Invested Capital (ROIC). Of the total amount achieved, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met. This will further align Mr Lukatsky's interests with the interests of all Shareholders. It should be recognised that the achievement of these objectives will be to the benefit of all Shareholders, and the vesting of the Performance Rights can only occur if these benefits are realised.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position and in order to compensate Mr Lukatsky in line with current market practices, Performance Rights provide an appropriate and meaningful form of remuneration that aligns with Shareholder interests. Approval is being sought in Resolution 15 in respect of the proposed grant of Performance Rights to Mr Lukatsky under the EIP as a component of his overall executive remuneration package put in place on his commencement as Managing Director of the Company.

Terms of Performance Rights

A total of 914,913 Performance Rights will be granted to Mr Lukatsky under the EIP, subject to Shareholder approval. The vesting of the Performance Rights is contingent on the satisfaction of the Performance Hurdles outlined below over a three-year performance period commencing 1 July 2020 and ending on 30 June 2023 (**Performance Period**).

LTI Performance Hurdles

The Performance Rights are subject to the satisfaction of the following Performance Hurdles:

- (a) 50% of the Performance Rights vest based on satisfaction of a relative Total Shareholder Return (**TSR**) performance hurdle; and
- (b) 50% of the Performance Rights vest on meeting/exceeding the budgeted Return on Invested Capital (**ROIC**)

It is noted that of the total amount achieved above, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

The Performance Period will run from 1 July 2020 to 30 June 2023.

The Nomination and Remuneration Committee will test performance against the Performance Hurdles to determine whether the Performance Rights are eligible to vest shortly after the end of the performance period.

If the Performance Hurdles are not satisfied on the Performance Date, the Performance Rights will lapse unless the Nomination and Remuneration Committee exercises its discretion to waive the Performance Hurdle in whole or in part.

There is no re-testing of the Performance Hurdles.

The number of Performance Rights which vest is determined by assessing the performance of the Company, as measured by Total Shareholder Return (TSR) at the Performance Date relative to a comparator group of companies. The VWAP of the Shares in the one-month preceding the Performance Date compared to VWAP of the Shares in the one month preceding the commencement of the Performance Period (which commenced on 1 July 2020), will be used in calculating TSR over the three-year period. The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the Company's performance.

For clarity, the Performance Hurdle's mentioned above will be split 50% subject meeting the TSR, and 50% for meeting/exceeding the budgeted Return on Invested Capital (ROIC).

Each year the Board will determine the budgeted ROIC. This budgeted ROIC will be the hurdle return used to calculate the 3 years series return. The Nomination and Remuneration Committee may exercise its discretion in determining if the participant has met the ROIC hurdle at the end of the 3 Years Series Return.

Of the total amount achieved, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

In relation to the 50% portion meeting the TSR, the Performance Rights will only convert to Shares subject to the Performance Period being met and subject to the Company's TSR being at least equal to the median of the comparator group performance. The entire annual allocation will convert if the Company's TSR is at the 75th percentile or higher than the comparator group performance. The detailed breakdown of the relationship between the Company's performance and the conversion of Performance Rights is:

- 0% converting if the Company TSR performance is below the median performance of the comparator group.
- Straight line Pro-rata conversion if the Company TSR performance is at or above the median performance of the comparator group, but below the 75th percentile performance of the comparator group.
- 100% converting if the Company TSR performance is at or above the 75th percentile performance of the comparator group.

Cessation of employment

Where Mr Lukatsky ceases employment as a 'bad leaver' (which includes by resignation or dismissal for cause or poor performance), unvested Performance Rights will immediately lapse and any vested Performance Rights may be exercised within 60 days of ceasing employment if permitted by the Company's securities dealing policy, or within 60 days of restrictions ceasing to apply under the Company's securities dealing policy. Vested Performance Rights that are not exercised by this time will lapse.

In all other circumstances, a pro rata portion of unvested Performance Rights will remain on foot and will vest and become exercisable in the normal course subject to the original conditions, as though Mr Lukatsky had not ceased employment. The remaining portion of unvested Performance Rights will lapse immediately. Any vested Performance Rights will remain on foot and may be exercised until the expiry date.

However, the Board retains discretion under the EIP to determine to treat any unvested Performance Rights other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment.

Change of control

If a corporate control event is likely to occur, the Board has a discretion to determine that that some or all of the Performance Rights vest and become exercisable or lapse. If a corporate control event occurs prior to the Board exercising its discretion, all unvested Performance Rights granted will automatically vest and become exercisable into Shares, irrespective of whether Performance Hurdles have been achieved.

Clawback

Under the EIP, the Board has broad "clawback" powers to determine that the Performance Rights lapse or any Shares allocated on vesting are forfeited in certain circumstances, including for example in the case of a breach of duties to a Group company or fraud or misconduct.

Restrictions on dealing

Mr Lukatsky may not deal, with or enter into any arrangement for the purpose of hedging, Performance Rights prior to vesting.

Legal Requirements - ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires that the Company not permit a Director or their associates to acquire securities under an "employee incentive scheme" without Shareholder approval (unless an exception applies). The Board is therefore seeking Shareholder approval to grant Performance Rights to Mr Lukatsky on the terms set out above and under the EIP.

The EIP constitutes an "employee incentive scheme" under the ASX Listing Rules.

Disclosures for the purposes of ASX Listing Rule 10.14

The following disclosures are made for the purposes of ASX Listing Rule 10.15:

- (a) the related party is Mr Lukatsky;
- (b) approval for Mr Lukatsky is sought under ASX Listing Rule 10.14.1, being a Director of the Company;
- (c) the maximum number of Performance Rights to be granted is 914,913;
- (d) Mr Lukatsky's remuneration package is as follows:

Director	Nature	Remuneration Package Details
Mr Solomon Lukatsky	Managing Director	Effective 1 July 2020, fixed remuneration of
		\$400,000 per annum, plus 10%
		superannuation. In 2021 financial year Mr
		Lukatsky will be entitled to a potential short-
		term incentive (STI) of up to \$200,000,
		representing 50% of his base remuneration
		(excluding superannuation), with KPI's to be
		determined no later than September 30, 2020.
		Mr Lukatsky will also be entitled to a potential
		long-term incentive (LTI) of up to \$200,000,
		representing 50% of his base remuneration
		(excluding superannuation) subject to
		shareholder approval. The performance
		measures will be determined no later than
		September 30, 2020.

In addition, it is noted that Mr Lukatsky's security interests in the Company are currently as follows (not including any potential grant of Performance Rights or Shares, the subject of Resolutions 8, 13 and 15):

Mr Lukatsky's security interests in the Company are:

- i. 2,957,755 fully paid ordinary shares; and
- ii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.15 (15 cents) per option, expiring 1 July 2023.
- iii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.18 (18 cents) per option, expiring 1 July 2023
- iv. 3,000,000 unlisted options, vesting on 1 July 2022 exercisable at \$0.215 (21.5 cents) per option, expiring 1 July 2023
- v. 247,059 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 12 September 2021
- (e) The total number of securities previously issued to Mr Lukatsky under the EIP are 9,000,000 unlisted options at nil acquisition price;
- (f) the Performance Rights will have a three-year performance period from 1 July 2020 to 30 June 2023. The total value the entity attributes to these securities is \$200,000. Subject to the satisfaction of the vesting and exercise conditions described above, Mr Lukatsky will receive one Share in the Company for each Performance Right exercised;

- (g) the entity expects to issue the Performance Rights within one month after the date of the meeting, and in any event, no later than 3 years after the date of the meeting;
- (h) the Performance Rights will be granted to Mr Lukatsky at nil issue price;
- (i) the material terms of the plan can be found in Annexure 1 to this explanatory statement.
- (j) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Lukatsky;
- (k) details of any Performance Rights issued under the EIP will be published in each Annual Report of the Company relating to a period in which the Performance Rights have been issued in addition to a statement that the securities were issued under ASX Listing Rule 10.14;
- (I) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the EIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
- (m) If approval is given under ASX Listing Rule 10.14, approval will not be sought under ASX Listing Rule 7.1.

Termination Benefits approval – section 200B and s200E Corporations Act

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Mr Lukatsky's unvested Performance Rights in the event Mr Lukatsky ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefits for the purposes of the Corporations Act. Where Mr Lukatsky ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Lukatsky's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the resolution is passed until the conclusion of the 2023 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Performance Rights given in connection with Mr Lukatsky ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Lukatsky prior to cessation of his employment;
- the date when, and circumstances in which, Mr Lukatsky ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Lukatsky; and
- the market price of the Company's shares on ASX on the date Shares are provided to Mr Lukatsky upon vesting of the Performance Rights.

Board Recommendation

The Board (with Mr Lukatsky abstaining) recommends that Shareholders vote in favour of Resolution 15.

Voting Exclusions

The Company will disregard any votes cast on Resolution 15 by or on behalf of:

- Mr Sol Lukatsky and any of his Associates, regardless of the capacity in which the votes are cast;
- a director who is eligible to participate in the employee incentive scheme, or an associate of a Director, or an associate of the person referred to in listing rule 10.14.1 and 10.14.2.
- as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such as member,

unless the votes are cast as a proxy for a person who is entitled to vote on Resolution 15:

- in accordance with a direction in the proxy appointment or as an attorney;
- by the Chair of the meeting in accordance with an express authorisation in the proxy appointment or as an attorney to cast votes even if Resolution 15 is connected directly or indirectly with the remuneration of a member of Key Management Personnel; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that:
 - (iii) 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 Resolution; and
 - (iv) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 16: Approval to Grant FY21 Performance Rights to Mr Mark Dioguardi

Background

Resolution 16 of this Notice seeks Shareholder approval to grant 503,202 Performance Rights to Mr Mark Dioguardi as his FY21 long term incentive on the terms described below and in accordance with the Company's Employee Incentive Plan (EIP), as well as approval for the issue of any Shares on vesting and exercise of those Performance Rights.

Performance Rights are proposed to be granted to Mr Dioguardi to further enhance the alignment of his interests with the interests of Shareholders.

It is proposed that Mr Dioguardi be granted 503,202 Performance Rights, which has been determined by dividing Mr Dioguardi's maximum FY21 LTI opportunity, being \$110,000, by the volume weighted average price (VWAP) of the Company's shares on the ASX for the month of June 2020, being \$0.2186, noting that these numbers have been rounded.

As the Performance Rights will form part of Mr Dioguardi's remuneration, they will be granted for no cash payment and there will be no amount payable on vesting. Each vested Performance Right entitles Mr Dioguardi to be issued one ordinary fully paid share in the Company, or equivalent cash payment, on vesting. Prior to vesting, Performance Rights do not entitle Mr Dioguardi to any dividends or voting rights.

Under the terms of the grant, 50% of the Performance Rights will only vest upon the shareholder returns generated by the Company outperforming a group of peer companies, and 50% will only vest on meeting/exceeding budgeted Return on Invested Capital (ROIC). Of the total amount achieved, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met. This will further align Mr Dioguardi's interests with the interests of all

Shareholders. It should be recognised that the achievement of these objectives will be to the benefit of all Shareholders, and the vesting of the Performance Rights can only occur if these benefits are realised.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the Company's current cash position and in order to compensate Mr Dioguardi in line with current market practices, Performance Rights provide an appropriate and meaningful form of remuneration that aligns with Shareholder interests. Approval is being sought in Resolution 16 in respect of the proposed grant of Performance Rights to Mr Dioguardi under the EIP as a component of his overall executive remuneration package put in place on his commencement as Executive Director and Chief Operating Officer of the Company.

Terms of Performance Rights

A total of 503,202 Performance Rights will be granted to Mr Dioguardi under the EIP, subject to Shareholder approval. The vesting of the Performance Rights is contingent on the satisfaction of the Performance Hurdles outlined below over a three-year performance period commencing 1 July 2020 and ending on 30 June 2023 (**Performance Period**).

LTI Performance Hurdles

The Performance Rights are subject to the satisfaction of the following Performance Hurdles:

- (a) 50% of the Performance Rights vest based on satisfaction of a relative Total Shareholder Return (**TSR**) performance hurdle; and
- (b) 50% of the Performance Rights vest on meeting/exceeding the budgeted Return on Invested Capital (**ROIC**)

It is noted that of the total amount achieved above, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

The Performance Period will run from 1 July 2020 to 30 June 2023.

The Nomination and Remuneration Committee will test performance against the Performance Hurdles to determine whether the Performance Rights are eligible to vest shortly after the end of the performance period.

If the Performance Hurdles are not satisfied on the Performance Date, the Performance Rights will lapse unless the Nomination and Remuneration Committee exercises its discretion to waive the Performance Hurdle in whole or in part.

There is no re-testing of the Performance Hurdles.

The number of Performance Rights which vest is determined by assessing the performance of the Company, as measured by Total Shareholder Return (TSR) at the Performance Date relative to a comparator group of companies. The VWAP of the Shares in the one-month preceding the Performance Date compared to VWAP of the Shares in the one month preceding the commencement of the Performance Period (which commenced on 1 July 2020), will be used in calculating TSR over the three-year period. The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the Company's performance.

For clarity, the Performance Hurdle's mentioned above will be split 50% subject meeting the TSR, and 50% for meeting/exceeding the budgeted Return on Invested Capital (ROIC).

Each year the Board will determine the budgeted ROIC. This budgeted ROIC will be the hurdle return used to calculate the 3 years series return. The Nomination and Remuneration Committee may exercise its discretion in determining if the participant has met the ROIC hurdle at the end of the 3 Years Series Return.

Of the total amount achieved, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

In relation to the 50% portion meeting the TSR, the Performance Rights will only convert to Shares subject to the Performance Period being met and subject to the Company's TSR being at least equal to the median of the comparator group performance. The entire annual allocation will convert if the Company's TSR is at the 75th percentile or higher than the comparator group performance. The detailed breakdown of the relationship between the Company's performance and the conversion of Performance Rights is:

- 0% converting if the Company TSR performance is below the median performance of the comparator group.
- Straight line Pro-rata conversion if the Company TSR performance is at or above the median performance of the comparator group, but below the 75th percentile performance of the comparator group.
- 100% converting if the Company TSR performance is at or above the 75th percentile performance of the comparator group.

Cessation of employment

Where Mr Dioguardi ceases employment as a 'bad leaver' (which includes by resignation or dismissal for cause or poor performance), unvested Performance Rights will immediately lapse and any vested Performance Rights may be exercised within 60 days of ceasing employment if permitted by the Company's securities dealing policy, or within 60 days of restrictions ceasing to apply under the Company's securities dealing policy. Vested Performance Rights that are not exercised by this time will lapse.

In all other circumstances, a pro rata portion of unvested Performance Rights will remain on foot and will vest and become exercisable in the normal course subject to the original conditions, as though Mr Dioguardi had not ceased employment. The remaining portion of unvested Performance Rights will lapse immediately. Any vested Performance Rights will remain on foot and may be exercised until the expiry date.

However, the Board retains discretion under the EIP to determine to treat any unvested Performance Rights other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment.

Change of control

If a corporate control event is likely to occur, the Board has a discretion to determine that that some or all of the Performance Rights vest and become exercisable or lapse. If a corporate control event occurs prior to the Board exercising its discretion, all unvested Performance Rights granted will automatically vest and become exercisable into Shares, irrespective of whether Performance Hurdles have been achieved.

Clawback

Under the EIP, the Board has broad "clawback" powers to determine that the Performance Rights lapse or any Shares allocated on vesting are forfeited in certain circumstances, including for example in the case of a breach of duties to a Group company or fraud or misconduct.

Restrictions on dealing

Mr Dioguardi may not deal, with or enter into any arrangement for the purpose of hedging, Performance Rights prior to vesting.

Legal Requirements - ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires that the Company not permit a Director or their associates to acquire securities under an "employee incentive scheme" without Shareholder approval (unless an exception applies). The Board is therefore seeking Shareholder approval to grant Performance Rights to Mr Dioguardi on the terms set out above and under the EIP.

The EIP constitutes an "employee incentive scheme" under the ASX Listing Rules.

Disclosures for the purposes of ASX Listing Rule 10.14

The following disclosures are made for the purposes of ASX Listing Rule 10.15:

- (a) the related party is Mr Dioguardi;
- (b) approval for Mr Dioguardi is sought under ASX Listing Rule 10.14.1, being a Director of the Company;
- (c) the maximum number of Performance Rights to be granted is 503,202;
- (d) Mr Dioguardi's remuneration package is as follows:

Director	Nature	Remuneration Package Details
Mr Mark Dioguardi	Executive Director	Effective 1 July 2020, fixed remuneration of
	and Chief	\$330,000 per annum, plus 10% superannuation.
	Operating Officer	In 2021 financial year Mr Dioguardi will be
		entitled to a potential short-term incentive
		(STI) of up to \$110,000, representing 33.3% of his
		base remuneration (excluding
		superannuation), with KPI's to be determined
		no later than September 30, 2020. Mr
		Dioguardi will also be entitled to a potential
		long-term incentive (LTI) of up to \$110,000,
		representing 33.3% of his base remuneration
		(excluding superannuation) subject to
		shareholder approval. The performance
		measures will be determined no later than
		September 30, 2020.

In addition, it is noted that Mr Dioguardi's security interests in the Company are currently as follows (not including any potential grant of Performance Rights or Shares, the subject of Resolutions 9, 14 and 16):

Mr Dioguardi's security interests in the Company are:

- i. 1,287,878 fully paid ordinary shares; and
- ii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.15 (15 cents) per option, expiring 1 July 2023.
- iii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.18 (18 cents) per option, expiring 1 July 2023
- iv. 3,000,000 unlisted options, vesting on 1 July 2022 exercisable at \$0.215 (21.5 cents) per option, expiring 1 July 2023

- v. 520,000 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 18 February 2022
- (e) The total number of securities previously issued to Mr Dioguardi under the EIP are 9,000,000 unlisted options at nil acquisition price and 520,000 performance rights at nil acquisition price;
- (f) the Performance Rights will have a three-year performance period from 1 July 2020 to 30 June 2023. The total value the entity attributes to these securities is \$110,000. Subject to the satisfaction of the vesting and exercise conditions described above, Mr Dioguardi will receive one Share in the Company for each Performance Right exercised;
- (g) the entity expects to issue the Performance Rights within one month after the date of the meeting, and in any event, no later than 3 years after the date of the meeting;
- (h) the Performance Rights will be granted to Mr Dioguardi at nil issue price;
- (i) the material terms of the plan can be found in Annexure 1 to this explanatory statement.
- (j) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Dioguardi;
- (k) details of any Performance Rights issued under the EIP will be published in each Annual Report of the Company relating to a period in which the Performance Rights have been issued in addition to a statement that the securities were issued under ASX Listing Rule 10.14;
- (I) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the EIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
- (m) If approval is given under ASX Listing Rule 10.14, approval will not be sought under ASX Listing Rule 7.1.

Termination Benefits approval – section 200B and s200E Corporations Act

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Mr Dioguardi's unvested Performance Rights in the event Mr Dioguardi ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefits for the purposes of the Corporations Act. Where Mr Dioguardi ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Dioguardi's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the resolution is passed until the conclusion of the 2023 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Performance Rights given in connection with Mr Dioguardi ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Dioguardi prior to cessation of his employment;
- the date when, and circumstances in which, Mr Dioguardi ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance

- Rights that vest (which could be all of the Performance Rights held by Mr Dioguardi; and
- the market price of the Company's shares on ASX on the date Shares are provided to Mr Dioguardi upon vesting of the Performance Rights.

Board Recommendation

The Board (with Mr Dioguardi abstaining) recommends that Shareholders vote in favour of Resolution 16

Voting Exclusions

The Company will disregard any votes cast on Resolution 16 by or on behalf of:

- Mr Mark Dioguardi and any of his Associates, regardless of the capacity in which the votes are cast:
- a director who is eligible to participate in the employee incentive scheme, or an associate of a Director, or an associate of the person referred to in listing rule 10.14.1 and 10.14.2.
- as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such as member,

unless the votes are cast as a proxy for a person who is entitled to vote on Resolution 16:

- in accordance with a direction in the proxy appointment or as an attorney;
- by the Chair of the meeting in accordance with an express authorisation in the proxy appointment or as an attorney to cast votes even if Resolution 16 is connected directly or indirectly with the remuneration of a member of Key Management Personnel; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that:
 - (iii) 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 Resolution; and
 - (iv) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 17: Increase in Aggregate Non-Executive Director Remuneration

The Company seeks shareholder approval to increase the maximum aggregate fees paid to Non-Executives of the Board by \$200,000, from \$300,000 to \$500,000 per annum. Shareholder approval is sought under clause 22.1 of the Constitution and ASX Listing Rule 10.17.

The Board considers it appropriate to increase the maximum Non-Executive Director fees cap, to take account of:

- the Board potentially appointing additional Non-Executive Directors to provide additional skills and expertise in the future;
- the continuing increase in size and scale of operations of the Company;
- the need to enable incremental increases in Non-Executive Director remuneration as required over time; and
- the need for appropriate succession planning.

It is imperative that the Company remains able in the future to attract and retain Non-Executive Directors with the appropriate experience, expertise, skills and diversity to oversee the Company's

business and strategic direction. An increased maximum Non-Executive Director fees cap will assist to achieve this and will also provide the Company with sufficient flexibility to make appropriate appointments to the Board if suitable candidates are identified.

Shareholders should also note that, if the proposed new maximum Non-Executive Director fees cap is approved, it will not necessarily represent the full sum paid to Non-Executive Directors each financial year. The Company will in future continue to set the actual level of remuneration of its Non-Executive Directors within the maximum fees cap, having regard to independent external advice, market practice, Board performance and other appropriate factors.

The remuneration of each Non-Executive Director for the financial year ended 30 June 2020 is detailed in the Annual Report.

As required by ASX Listing Rule 10.17, the following is a list of all securities issued to the Company's Non-Executive Directors under ASX Listing Rule 10.11 or 10.14 within the preceding three years:

- 833,333 (17 June 2019) fully paid ordinary shares, at an issue price of \$0.12 (12 cents) per Share, to James Joughin as part of the additional placement as announced on 7 May 2019 and approved by shareholders at the Company's General Meeting held on 11 June 2019.
- 545,455 (1 June 2020) fully paid ordinary shares, at an issue price of \$0.11 (11 cents) per Share, to James Joughin as part of the Tranche 2 placement as announced on 15 April 2020 and approved by shareholders at the Company's General Meeting held on 28 May 2020.
- 545,454 (1 June 2020) fully paid ordinary shares, at an issue price of \$0.11 (11 cents) per Share, to Gregory Ridder as part of the Tranche 2 placement as announced on 15 April 2020 and approved by shareholders at the Company's General Meeting held on 28 May 2020.

Board Recommendation

Given their interest in the outcome of this resolution, the Board does not make any recommendation on how Shareholders vote in respect of Resolution 17.

Voting Exclusions

The Company will disregard any votes cast on Resolution 17:

- in favour of the resolution by or on behalf of any Directors or any associate of a Director, regardless of the capacity in which the vote is cast; or
- as a proxy by a person who is a member of the Company's KMP at the date of the Meeting or their closely related parties,

unless the vote is cast on Resolution 17:

- 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
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

- by the Chairman of the meeting, as proxy for a person entitled to vote on the resolution, and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the company; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate or a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

SPECIAL BUSINESS

Resolution 18: Change of Company Name

Background

The Board believes that the name of the Company should be reflective of its strategic direction. The Company has undergone rapid growth over the past 12 months with a renewed focus on IT & T service, including the provision of Telecommunication services, Cloud services, Managed IT services and Cyber Security services to small and medium size businesses. Accordingly, the Board believes that the Company's name should reflect its future strategic direction. Hence, changing the Company's name to "Spirit Technology Solutions Ltd" will better reflect the Company's vision going forward.

This Resolution is a special resolution which seeks approval of the Shareholders for the Company to change its name. Subject to the Resolution being passed, the Company proposes to change its name from "Spirit Telecom Limited" to "**Spirit Technology Solutions Ltd**". The change will not, in itself, affect the legal status of the Company or any of its assets or liabilities.

The Company has received no objection from ASX to retain the current ASX ticker "STI". As such, subsequent to the name change, if approved by the Shareholders, there will be no change in the ASX ticker of the Company's securities.

Why approval is required under Section 157 of the Corporations Act

In accordance with Section 157 of the Corporations Act, Shareholder approval of this Resolution by special resolution is required.

Following Shareholder approval, the Company will make an application to ASIC for the change of name to "**Spirit Technology Solutions Ltd**". The new name will take effect on the issue of a certificate of registration of change of name by ASIC.

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

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 18.

Voting Exclusions

There are no voting exclusions applicable to this Resolution.

Resolution 19: Approval of amendments to the Constitution

Background

As part of its regular review of its operations in order to streamline administration, minimise costs and incorporate recent regulatory updates, the Company proposes to amend the Constitution as set out below.

The amendments are proposed in order to bring the provisions of the Constitution in line with recent technological updates and will assist the Company to streamline communications with shareholders as well as utilise various electronic platforms and tools to hold and conduct shareholder meetings.

Section 136(2) of the Corporations Act states that a company may "modify or repeal its constitution, or provision of its constitution, by special resolution". Accordingly, this Resolution 19 is proposed as a special resolution.

Proposed Amendments

By Resolution 19, the Company seeks shareholder approval for the purposes of section 136(2) of the Corporations Act, and for all other purposes, to insert the following clauses into the Constitution:

(a) Inserting a new clause 16.4 as follows:

Convening of general meetings of Members by a Director or requisition

- 16.4 A general meeting may be held at two or more venues simultaneously, including by way of virtual or hybrid meeting, using any technology that gives the Members as a whole a reasonable opportunity to participate.
- (b) Inserting the following as a new clauses 16.13, 16.14 and 16.15:

Conduct of general meetings of Members

- 16.13 If a separate meeting place is linked to the main place of a general meeting by an instantaneous audio-visual communication device which, by itself or in conjunction with other arrangements:
 - (a) gives the general body of Members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;
 - (b) enables the chair to be aware of proceedings in the other place; and
 - (c) enables the Members in the separate meeting place to vote on a show of hands or on a poll,

a Member present at the separate meeting place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place.

- 16.14 If, before or during the general meeting, any technical difficulty occurs where one or more of the matters set out in clause 16.13 is not satisfied, the chair of the meeting may:
 - (a) adjourn the meeting until the difficulty is remedied; or
 - (b) continue to hold the meeting in the main place (and any other place which is linked under clause 16.13) and transact business, and no Member may object to the meeting being held or continuing.
- 16.15 Nothing in clauses 16.13 or 16.14 is to be taken to limit the powers conferred on the chair of the meeting by law.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 19.

Voting Exclusions

There are no voting exclusions applicable to this Resolution.

Resolution 20: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 20 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 20, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

Resolution 20 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Fully Paid Ordinary Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$(A \times D) - E$

- A is the number of shares on issue at the commencement of the "relevant period" (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):
 - (A) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
 - (B) plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within 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 rule 7.1 or rule 7.4;
 - (C) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the relevant period;
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
 - (D) plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4;
 - (E) plus the number of partly paid shares that became fully paid in the relevant period;
 - (F) less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

- **D** is 10%
- is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

(e) Nature of consideration for issue and Minimum Issue Price

The Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per security which must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(10% Placement Period).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) If Resolution 20 is approved by Shareholders, the period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained, being 13 October 2020, and expires on the first to occur of the following:
 - (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 13 October 2021;

- (ii) the time and date of the Company's next annual general meeting;
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the securities; or
 - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include:
 - (i) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
 - (ii) continued expenditure on the Company's current business and/or general working capital.
- (d) If Resolution 20 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. Shareholders may also be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 10 September 2020 (**Current Share Price**) 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.

The table also shows:

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

			Issue Price			
Variable 'A' in Listing Rule 7.1A.2		\$0.185 50% decrease in Current Share Price	\$0.370 Current Share Price	\$0.740 100% increase in Current Share Price		
Current Variable A 523,730,801 Shares	10% Voting Dilution		52,373,080 Share	S		
	Funds raised	\$9,689,020	\$19,378,040	\$38,756,079		
50% increase in current Variable A 785,596,202 Shares	10% Voting Dilution		78,559,620 Share	S		
	Funds raised	\$14,533,530	\$29,067,059	\$58,134,119		
100% increase in current Variable A 1,047,461,602 Shares	10% Voting Dilution	1	04,746,160 Share	es		
	Funds raised	\$19,378,040	\$38,756,079	\$77,512,159		

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- No Options (including any Listed Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
- 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%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- 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.
- The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The Current Share Price is \$0.370 (37 cents), being the closing price of the Shares on ASX on 10 September 2020.
- (e) The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) upon issue of any Equity Securities.

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

- (i) 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;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and

(iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

Equity Issues over the Last 12 Months - Listing Rule 7.3A.6

The table below shows the total number of equity securities issued in the past 12 months preceding the date of the Annual General Meeting under Listing Rule 7.1A.2, and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12-month period.

Number of equity securities on issue at	339,420,529
commencement of 12-month period	
Equity securities issued in the prior 12-month	77,200,041
period under Listing Rule 7.1A.2	
Percentage of equity securities represent of	22.74%
total number of equity securities on issue at	
commencement of 12-month period	

^{*}For full details of all issues of equity securities made by the Company since the date of the last Annual General Meeting, see Annexure 2.

(f) The company has not agreed, before the 12 month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Directors Recommendations

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

Voting Exclusions

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

GLOSSARY

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

"\$" means Australian Dollars;

"10% Placement Facility" has the meaning as defined in the Explanatory Statement for Resolution 20;

"10% Placement Period Facility" has the meaning as defined in the Explanatory Statement for Resolution 20;

"Annual Report" means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2020;

"ASIC" means the Australian Securities and Investments Commission;

"Associate" has the meaning given to it in the Listing Rules;

"ASX" means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

"Auditor's Report" means the auditor's report on the Financial Report;

"AEDT" means Australian Eastern Daylight Standard Time.

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

"Chairman" means the person appointed to chair the Meeting of the Company convened by the Notice:

"Closely Related Party" means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

"Company" means Spirit Telecom Limited ACN 089 224 402;

"Constitution" means the constitution of the Company as at the date of the Meeting;

"Corporations Act" means the Corporations Act 2001 (Cth);

"Director" means a Director of the Company;

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

"EIP" means the Employee Incentive Plan;

"Equity Security" has the same meaning as in the Listing Rules;

"Explanatory Memorandum" means the explanatory memorandum which forms part of the Notice;

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

"**Key Management Personnel**" means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

"Listing Rules" means the Listing Rules of the ASX;

"Meeting" has the meaning given in the introductory paragraph of the Notice;

"NED" means each of the Non-Executive Directors of the Company;

"Nomination and Remuneration Committee" means the Nomination and Remuneration Committee of the Company;

"Notice" means the Notice of Meeting accompanying this Explanatory Statement;

"Performance Date" means the final day of the Performance Period;

"Performance Rights" means the performance rights issue pursuant to, and in accordance with the terms of, the Employee Incentive Plan;

- "Performance Hurdles" has the meaning given to it in the Explanatory Memorandum;
- "Proxy Form" means the proxy form attached to the Notice;
- "Remuneration Report" means the remuneration report which forms part of the Directors' Report of Spirit Telecom Limited for the financial year ended 30 June 2020 and which is set out in the 2020 Annual Report.
- "Resolution" means a resolution referred to in the Notice;
- "Section" means a section of the Explanatory Memorandum;
- "Share" means a fully paid ordinary share in the capital of the Company;
- "Shareholder" means shareholder of the Company;
- "**Trading Day**" means a day determined by ASX to be a trading day in accordance with the Listing Rules:
- "VWAP" means volume weighted average price.

ANNEXURE 1 MATERIAL TERMS OF EMPLOYEE INCENTIVE PLAN ('EIP')

- the EIP sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature;
- in making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver";
- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares;
- the total number of Shares that would be issued were each Option, Performance Right and Share under the EIP exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIP, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIP will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares;
- in respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration;
- in the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation; and
- the Board is granted a certain level of discretion under the EIP, including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

ANNEXURE 2

CASH ISSUES

	Number of	Security						Total	
Date	Securities	Туре	Terms	Description	Party or Basis	Price	Discount	Consideration	Use of Consideration
					Option holder – Mr				
					Terence Gray (a former				
22 November				Exercise of unlisted	Director of the				
2019	1,250,000	FPO	FPO	options	Company)	\$0.19	N/A	\$237,500	General working capital
									Proceeds will be used to
									strengthen the Company's
									balance sheet in order to
									take advantage of potential
									acquisition opportunities,
					Professional and				general working capital and
20 April 2020	78,754,022	FPO	FPO	Tranche 1 Placement	sophisticated investors	\$0.11	N/A	\$8,662,942	costs of the offer
									Proceeds will be used to
									strengthen the Company's
									balance sheet in order to
									take advantage of potential
									acquisition opportunities,
					Director's, Founders				general working capital and
1 June 2020	4,545,455	FPO	FPO	Tranche 2 Placement	and Employees	\$0.11	N/A	\$500,000	costs of the offer
									Proceeds will be used to
									fund the three acquisitions
									as announced on 20 August
									2020, strengthen the
									balance sheet to take
									advantage of potential
									acquisition opportunities,
									expand existing products,
									infrastructure and branding,
									general working capital and
					Institutional and				pay the costs of the Capital
27 August 2020	55,881,401	FPO	FPO	Tranche 1 Placement	sophisticated investors	\$0.32	N/A	\$17,882,048	Raising
Total	140,430,878						Total	\$27,282,490	

NON-CASH ISSUES

	Number of	Coough						Total	
Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
Date	Securities	туре	1611113	Description	Performance Rights	PIICE	Discount	Consideration	Ose of Consideration
					holder – Mr Geoff Neate				
20 December				Exercise of vested	(a former Director of				
2019	332,084	FPO	FPO	performance rights	the Company)	N/A	N/A	N/A	N/A
	,			Issue of shares to the	1 37		,		
				vendors of the Cloud		Deemed issue			
				Business Technology	Vendors of Cloud	price of \$0.20			
•				acquisition as part	Business Technology	(20 cents) per			
3 February 2020	700,000	FPO	FPO	consideration	acquisition	Share	N/A	\$140,000	N/A
				Issue of shares to the					
				vendors of the Trident		Deemed issue			
				& Neptune Group	Vendors of Trident &	price of \$0.20			
18 February				acquisition as part	Neptune Group	(20 cents) per			
2020	5,818,750	FPO	FPO	consideration	acquisition	Share	N/A	\$1,163,750	N/A
				Grant of performance					
				rights to eligible					
22 April 2020	653,943	PR	PR	employees	Eligible Employees	N/A	N/A	N/A	N/A
				Issue of shares to the		Deemed issue			
				vendors of the VPD		price of \$0.20			
				Group acquisition as	Vendors of the VPD	(20 cents) per			
1 July 2020	29,000,000	FPO	FPO	part consideration	Group acquisition	Share	N/A	\$5,800,000	N/A
				Issue of shares to the					
				vendors of the three					
				acquisitions (Reliance	Vendors of the three	Deemed issue			
1.0				IT, Beachhead Group	acquisitions (Reliance	price of \$0.32			
1 September	70/0.000	- FDO	FDO	and Altitude IT) as part	IT, Beachhead Group	(32 cents) per	NI/A	¢2.570.036	NI/A
2020	7,940,080	FPO	FPO	consideration	and Altitude IT)	Share	N/A	\$2,540,826	N/A
Total	44,444,857						Total	9,644,576	
Grand Total	184,875,735						Grand Total	36,927,066	

Glossary

FPO Fully Paid Ordinary Shares

PR Performance Rights



Spirit Telecom Limited | ABN 089 224 402

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by 10.30am (AEDT) on Sunday, 11 October 2020, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below. YOUR NAME AND ADDRESS

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

STEP 1 - APPOINT A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

https://investor.automic.com.au/#/loginsah

or scan the QR code below using your smartphone

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



BY MAIL:

Automic GPO Box 5193 Sydney NSW 2001

IN PERSON:

Automic Level 5, 126 Phillip Street Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: https://automicgroup.com.au/

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

STEP 1 - How you wish to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Spirit Telecom Limited, to be held virtually at 10.30am (AEDT) on Tuesday, 13 October **2020** hereby:

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

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION **RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 13 - 17 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 13 - 17 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

VIRTUAL PARTICIPATION AT THE AGM:

The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

- Open your internet browser and qo to investor.automic.com.au
- Login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

STEP 2 - Your voting direction

Res	solutions	For	Against	Abstain	Resolutions	For	Against	Abstain
1.	Adoption of Remuneration Report				Approval for participation in placement by a Director — Ms Inese Kingsmill (or her nominee)			
2.	Election of Mr Gregory Ridder as a Director of the Company				12. Approval of proposed issue of Shares to Management			
3.	Election of Ms Inese Kingsmill as a Director of the Company				13. Approval of once-off Grant of Performance Rights to Mr Solomon Lukatsky			
4.	Ratification of Prior Issue of 29,000,000 Shares				14. Approval of once-off Grant of Performance Rights to Mr Mark Dioquardi			
5.	Ratification of Prior Issue of 55,881,401 Shares				15. Approval to Grant FY21 Performance Rights to Mr Solomon Lukatsky			
6.	Ratification of Prior Issue of 7,940,080 Shares				16. Approval to Grant FY21 Performance Rights to Mr Mark Dioguardi			
7.	Approval for participation in placement by a Director — Mr James Joughin (or his nominee)				17. Increase in Aggregate Non- Executive Director Remuneration			
8.	Approval for participation in placement by a Director — Mr Solomon Lukatsky (or his nominee)				18. Change of Company Name			
9.	Approval for participation in placement by a Director — Mr Mark Dioguardi (or his nominee)				19. Approval of amendments to the Constitution			
10.	Approval for participation in placement by a Director — Mr Gregory Ridder (or his nominee)				20. Approval of 10% Placement Facility			
Ple	ase note: If you mark the abstain bo	ox for a par	ticular Resol	ution, you ai	e directing your proxy not to vote on that	Resolutio	n on a show o	of hands or on a

poll and uour votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1										S	ecuri	ityhol	lder 2	2						Se	ecurit	yholo	der 3							
	Sole Director and Sole Company Secretary Contact Name:							Director									Director / Company Secretary													
Emo	il Add	lress:																												
Con	tact D	aytim	ie Tel	epho	ne														D	ate (l	DD/M	M/YY)							
																						/			/					
Вур	rovidin	a uou	r ema	il add	ress. ı	ıou el	lect to	receiv	re all	of uou	ır com	nmuni	catior	ıs des	spatch	ed b	u the	e Coi	mpan	u elec	tronic	allu (v	vhere	legal	lu per	missi	ble).			