

2020 Notice of Annual General Meeting

2 October 2020

Viva Leisure Limited (“VVA”), advises that the following documents will be sent to shareholders via their nominated communication preference today:

- Notice of Annual General Meeting
- Proxy Form

Shareholders wishing to manage or update their details and preferences can do so by visiting:
<https://investors.vivaleisure.com.au/investor-centre/?page=my-shareholding>

The Annual General Meeting will be held on Friday 6 November 2020 at 11:00 am (AEDT), online at
<https://agmlive.link/VVA20>.

ENDS

This announcement has been authorised for release to ASX by the Board of Directors of the Company.

For further information, please contact:

Harry Konstantinou, CEO and Managing Director, +61 2 6163 8011

About Viva Leisure:

Founded in 2004, Viva Leisure operates health clubs (gymnasiums) within the health and leisure industry. Viva Leisure’s mission is to connect health and fitness to as many people as possible and aims to provide its members with affordable, accessible and awesome facilities.

Viva Leisure offers customers several different membership options and a range of different types of facilities from big-box fitness facilities to boutique fitness facilities. The Company currently operates 85 health clubs and boutique facilities within the Australian Capital Territory, New South Wales, Victoria and Queensland, together with the master franchise for the Plus Fitness Group of approximately 200 clubs.



Viva Leisure Limited

ACN 607 079 792

Notice of Annual General Meeting

Annual General Meeting of Viva Leisure Limited to be held

Online <https://agmlive.link/VVA20>

on Friday 6 November commencing at 11:00 a.m. (AEDT)

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.

If Shareholders are in any doubt as how to vote, they should seek advice from their own independent financial, taxation or legal adviser without delay.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (**AGM** or **Meeting**) of Viva Leisure Limited (the “**Company**”) will be held on **Friday 6 November commencing at 11:00 a.m.** (AEDT) online via <https://agmlive.link/VVA20>.

Annual General Meeting: Agenda

The business to be transacted at the Meeting is set out below:

Item 1 – Statement and Reports

To receive and consider the Annual Report, the Financial Report and the reports and statements of the Directors and of the Auditor for the year ended 30 June 2020.

Note: There is no requirement for shareholders to approve these reports.

Item 2 – Ordinary Business

1. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following Resolution as a non-binding ordinary resolution:

"To adopt the Remuneration Report set out in the Directors' Report for the year ended 30 June 2020."

Please note that the vote on Resolution 1 is advisory only.

Voting exclusion statement on Resolution 1:

A vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a) a member of the Key Management Personnel (KMP) whose remuneration details are included in the 2020 Remuneration Report; or
- b) a closely related party of such a KMP (including close family members and companies the KMP controls).

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

- a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- b) the vote is cast 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 KMP.

In accordance with section 250BD of the Corporations Act 2001 (Cth), a vote must not be cast on Resolution 1 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the Corporations Act 2001 (Cth).

2. **Election of Rhys Holleran as Non-Executive Director**

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

"That, Rhys Holleran, who retires in accordance with Clause 13.3 of the Company's Constitution and Listing Rule 14.5 and all other purposes, and being eligible, be elected as a Director of the Company."

3. **Ratification of Placement**

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 6 December 2019 of a total of 7,547,170 fully paid ordinary shares in Viva Leisure Limited (Shares) at an issue price of \$2.65 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is ratified."

Voting Exclusion Statement of Resolution 3

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- a. any person who participated in the above issue or is a counterparty to the agreement being approved; or
- b. an associate of those persons.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 3 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions given to the proxy or attorney to vote on Resolution 3 in that way; or
- b. the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- c. 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 Resolution 3; and
 - ii. the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

4. **Ratification of Placement**

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 16 June 2020 of a total of 1,339,109 fully paid ordinary shares in Viva Leisure Limited (Shares) at an issue price of \$2.20 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is ratified."

Voting Exclusion Statement of Resolution 4

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- c. any person who participated in the above issue or is a counterparty to the agreement being approved; or
- d. an associate of those persons.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 4 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- d. a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- e. the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- f. 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 Resolution 4; and
 - ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

5. Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with ASX 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 described in the Explanatory Statement."

Voting exclusion statement on Resolution 5:

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of:

- a) a person who may participate in the 10% Placement Facility; or
- b) an associate of such a person who may participate in the 10% Placement Facility.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 5 by or on behalf of 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 entity)

However, this does not apply to a vote cast in favour of Resolution 5 by:

- a) a person as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way; or
- b) the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- c) 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 as associate of a person excluded from voting, on Resolution 5; and
 - ii. the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Approval of Issue of Options to Harry Konstantinou

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

"That, approval be given:

- (a) for the purpose of Listing Rule 10.14 and all other purposes, for the Company to grant 750,000 Premium Priced options to Managing Director Harry Konstantinou or his nominee(s); and*
- (b) for the purpose of section 200E of the Corporations Act, to the giving of a benefit to Managing Director Harry Konstantinou, in connection with any accelerated vesting of those Premium Priced options on cessation of Mr Konstantinou's employment with the Company or a related body corporate of the Company,*

in each case under the Company's Long Term Incentive Plan on the terms and conditions described in the Explanatory Statement."

Voting exclusion statement on Resolution 6:

In accordance with ASX Listing Rule 14.11 and section 200E(2A) of the Corporations Act, the Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

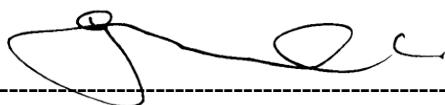
- a) Harry Konstantinou; or
- b) an associate of Mr Konstantinou

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 6 by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- a) a person as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the directions given to the proxy or attorney to vote on Resolution 6 in that way; or
- b) the Chairman of the Meeting (but only to the extent that the Chairman is not Harry Konstantinou or an associate of Mr Konstantinou) as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- c) 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 as associate of a person excluded from voting, on Resolution 6; and
 - ii. the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

By order of the board:



Bruce Glanville
Chair
2 October 2020

Notes

<p>Attendance at the meeting</p>	<p>In the interests of health and safety of its shareholders and our people, and like many other companies, our 2020 AGM will now be held online (virtually) rather than at a physical location. Shareholders should follow the instructions in the online meeting guide for instructions on how to attend the meeting virtually.</p>
<p>Who may vote?</p>	<p>The Directors have determined, in accordance with Regulation 7.11.37 of the <i>Corporations Regulation (Cth) 2001</i>, that all Shares of the Company that are quoted on ASX at 7.00pm on 4 November 2020 will, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.</p> <p>This means that any person registered as the holder of Shares at 7.00pm on 4 November 2020 is entitled to attend and vote at the Meeting in respect of those Shares.</p>
<p>Proxies: appointment</p>	<p>A Shareholder of the Company who is entitled to attend and vote at the Meeting has a right to appoint a person as their proxy to attend and vote for the Shareholder at the Meeting.</p> <p>A proxy need not be a Shareholder of the Company.</p>
<p>Proxies: lodgement</p>	<p>To be valid, a Proxy Form must be received by the Company by no later than 11:00 a.m. (Sydney Time) on Wednesday 4 November 2020 (Proxy Deadline).</p> <p>Proxy Forms may be submitted by:</p> <ul style="list-style-type: none"> (a) lodgement online at: www.linkmarketservices.com.au (b) hand deliver to: Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 (during business hours only); (c) post to: Viva Leisure Limited C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235, Australia; or (d) facsimile: 02 9287 0309 (within Australia) +61 2 9287 0309 (from outside Australia) <p>A written proxy appointment must be signed by the Shareholder or the Shareholder's attorney, or where the Shareholder is a body corporate, by its corporate representative or at least 2 officers of that Shareholder.</p> <p>Where the appointment is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with the Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.</p>
<p>Body corporate representative</p>	<p>A Shareholder of the Company who is a body corporate and who is entitled to attend and vote at the Meeting, or a validly appointed proxy who is a body corporate and who is appointed by a Shareholder of the Company entitled to attend and vote at the Meeting, may appoint a person to act as its representative at the Meeting by providing that person with:</p>

	<ul style="list-style-type: none">(a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or(b) a copy of the resolution, certified by the secretary or a director of the body corporate, appointing the representative.
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Viva Leisure Limited ACN 607 079 792 (Company)

Explanatory Statement

1. Background

1.1 Introduction

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions set out in the accompanying Notice. It explains the Resolutions and identifies the Board's reasons for putting them to Shareholders.

1.2 Action to be taken by Shareholders

Shareholders should read this Explanatory Statement carefully before deciding how to vote on the Resolutions set out in the Notice.

All Shareholders are invited and encouraged to attend the online Meeting. If Shareholders are unable to attend the meeting online, the attached Proxy Form should be completed, signed and returned to the Company in accordance with the instructions contained in the Proxy Form and the Notice. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the online Meeting, but the person appointed as the proxy must not exercise the rights conferred by the Proxy Form.

2. Resolutions

2.1 Resolution 1 – Adoption of Remuneration Report

The Remuneration Report for the year ended 30 June 2020 outlines the remuneration arrangements of the Company in accordance with the requirements of the Corporations Act and its regulations. The report details the remuneration arrangements for Key Management Personnel which includes Non-Executive Directors, the Managing Director and key senior executives. The report is set out in the 2020 Annual Report which is also available on the Company's website at www.vivaleisure.com.au.

The Board is committed to ensuring that the remuneration structure for Key Management Personnel is closely aligned to the strategy and business objectives of the Company, with a focus on driving a performance culture and delivering results that are acceptable to Shareholders. It is the Board's objective to deliver a Remuneration Report which explains the way in which financial rewards for Key Management Personnel drive the Company's short-term and long-term performance.

Shareholders will be given a reasonable opportunity at the online Meeting to raise questions and make comments on the Remuneration Report.

The vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company. However, the Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Company encourages all shareholders to cast their vote on Resolution 1.

In summary, the Remuneration Report:

- (a) explains the Board's policies in relation to the nature and level of remuneration paid to Directors and Key Management Personnel of the Company;
- (b) discusses the link between the Board's policies and the Company's performance; and
- (c) sets out remuneration details for each Director and for each member of the Company's senior executive management team.

A voting exclusion statement applies to this resolution, as set out in this Notice of Meeting.

Recommendation

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

2.2 Resolution 2 - Election of Rhys Holleran as Non-Executive Director

Resolution 2 is an ordinary resolution which seeks approval for election of Mr Rhys Holleran as Non-Executive Director of the Company. Mr Holleran was appointed as a casual vacancy pursuant to Clause 13.1(c) of the Constitution and therefore is standing for election under 13.3(b)(ii).

Details of the experience and qualifications of Mr Rhys Holleran is as follows:

The Board appointed Rhys as an Independent, Non-Executive Director of the Company on 30 September 2020.

Prior to Rhys' appointment, the Company completed several background and screening checks with no adverse findings.

The Board also considered whether Rhys had any interest, position or relationship that may interfere with his independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Principles and Recommendations (3rd edition). The Board considers that Rhys (if elected), will continue to be an independent Director.

Rhys is a highly respected and accomplished executive with a valuable blend of management and board experience across ASX-listed companies.

Rhys draws on 30 years of executive management expertise ranging from micro-cap to ASX 200 companies in the media sector. Rhys' skills and experience extend to business strategy, mergers and acquisitions, investor relations and capital raisings.

Rhys was the Chief Executive at two IPO's - RG Capital Radio Limited (ASX:REG) in 2000 and Macquarie Media Group in 2005 (ASX:MMG, now ASX:SXL). Rhys led the first cross media ownership transaction in Australia when he merged Macquarie Regional Radioworks (87 radio stations) and Southern Cross Broadcasters (35 television licences) in 2007, to form the largest electronic media company in regional Australia.

Rhys served on the Board of Commercial Radio Australia, the radio industry representative body from 1997 to 2015 and was Chairman for seven years.

He was a Board member of Free TV Australia from 2007-2015. He is also a founding Director of the Give me 5 for kids appeal and is the current Chair of the Greater Shepparton Foundation.

2.3 Resolution 3. Issue of Placement Shares to Professional and Sophisticated Investors

Background about the Placement

On 2 December 2019, the Company announced details of a placement to professional and sophisticated investors to subscribe for new Viva Leisure fully paid ordinary shares at a price of A\$2.65 per share, to raise approximately A\$20million (Placement). The Placement was fully underwritten by Ord Minnett Limited which also acted as Sole Lead Manager and Bookrunner and Underwriter. Shaw and Partners acted as Co-Manager.

The Placement of 7,547,170 shares was issued on 6 December 2019 using Viva Leisure's 15% placement capacity pursuant to ASX Listing Rule 7.1.

Proceeds from the Offer were used to fund the Acquisition of 13 FitnFast Health Clubs (**FnF**) as announced to the ASX on 2 December 2019, assist with accelerating new site rollouts, cash-backed funding of bank guarantees on leased properties, working capital flexibility and offer costs.

Specific information about the Placement

Under ASX Listing Rule 7.1, a listed entity must obtain ordinary shareholder approval if it wants to issue, or agree to issue, more than 15% of its equity securities over any 12 month period based on the number of fully paid ordinary securities it had on issue at the start of that 12 month period. As described above, the Placement was made within the 15% limit permitted under ASX Listing Rule 7.1 and without shareholder approval, thereby reducing the Company's remaining available capacity. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of, or agreement to issue, securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

The Company is seeking approval of Resolution 3 for the purposes of ASX Listing Rule 7.4 to enable the Company to refresh its issuing capacity under ASX Listing Rule 7.1, thereby providing the Company with the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

If shareholders approve Resolution 3, the issue will be excluded in calculating Viva Leisure's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the shares.

If shareholders do not approve Resolution 3, the issue will be included in calculating Viva Leisure's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the shares.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- shares under the Placement have been issued to:
 - a range of institutional, sophisticated and professional investors, all unrelated parties of the Company who qualify under the requirements of sections 9 and 708 of the Corporations Act and who were identified by Ord Minnett Limited as sole lead manager to the issue;
 - international resident investors to whom an offer of the Placement shares did not require disclosure under the laws of the relevant jurisdiction; and
 - the number of shares issued under the Placement was 7,547,170.
- the shares issued under the Placement are fully paid ordinary shares which rank equally with all other existing shares from the date of issue.
- the shares under the Placement were issued on 6 December 2019.
- the shares issued under the Placement were issued at a price of A\$2.65 per share.
- the net proceeds raised from the Institutional Placement are being, and will be used Acquisition of FnF, assist with accelerating new site rollouts, cash-backed funding of bank guarantees on leased properties, working capital flexibility and offer costs.
- organic growth initiatives and to fund acquisition opportunities.
- a Voting Exclusion Statement accompanies Resolution 3 in the Notice of Meeting.

Recommendation

The Directors unanimously recommend Shareholders vote in favour of this Resolution 3.

2.4 Resolution 4. Issue of Placement Shares to Professional and Sophisticated Investors

Background about the Placement

On 4 June 2020, the Company announced details of a placement to institutional investors (in conjunction with an Entitlement Offer) to subscribe for new Viva Leisure fully paid ordinary shares at a price of A\$2.20 per share, to raise approximately A\$25million (Placement). The Placement was fully underwritten by Ord Minnett Limited as Sole Lead Manager, Bookrunner and Underwriter.

The Placement of 1,339,109 shares was issued on 16 June 2020 using Viva Leisure's 15% placement capacity pursuant to ASX Listing Rule 7.1.

The funds raised from the Placement has been used for additional working capital to accelerate refurbishment of existing locations and accelerate new site rollouts.

Specific information about the Placement:

Under ASX Listing Rule 7.1, a listed entity must obtain ordinary shareholder approval if it wants to issue, or agree to issue, more than 15% of its equity securities over any 12 month period based on the number of fully paid ordinary securities it had on issue at the start of that 12 month period. As described above, the Placement was made within the 15% limit permitted under ASX Listing Rule 7.1 and without shareholder approval, thereby reducing the Company's remaining available capacity. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of, or agreement to issue, securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

The Company is seeking approval of Resolution 4 for the purposes of ASX Listing Rule 7.4 to enable the Company to refresh its issuing capacity under ASX Listing Rule 7.1, thereby providing the Company with the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

If shareholders approve Resolution 4, the issue will be excluded in calculating Viva Leisure's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the shares.

If shareholders do not approve Resolution 4, the issue will be included in calculating Viva Leisure's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the shares.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- shares under the Placement have been issued to:
 - a range of institutional investors, all unrelated parties of the Company who qualify under the requirements of sections 9 and 708 of the Corporations Act and who were identified by Ord Minnett Limited as sole leader manager to the issue;
 - international resident investors to whom an offer of the Placement shares did not require disclosure under the laws of the relevant jurisdiction; and
 - the number of shares issued under the Placement was 1,339,109.

- the shares issued under the Placement are fully paid ordinary shares which rank equally with all other existing shares from the date of issue.
- the shares under the Placement were issued on 16 June 2020.
- the shares issued under the Placement were issued at a price of A\$2.20 per share.
- the net proceeds raised from the Institutional Placement are being and will be used for additional working capital to accelerate refurbishment of existing locations and accelerate new site rollouts.
- a Voting Exclusion Statement accompanies Resolution 4 in the Notice of Meeting.

Recommendation

The Directors unanimously recommend Shareholders vote in favour of this Resolution 4.

2.5 Resolution 5 - Approval of 10% Placement Facility

General

Listing Rule 7.1A enables eligible entities to issue Equity Securities (as that term is defined in the ASX Listing Rules) 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 ASX 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 an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to below). The Company may use the funds raised from the issue of Equity Securities under the 10% Placement Facility for such things including but not limited to non-cash consideration for the acquisition of new or existing businesses, assets and investments, payment of consultants in lieu of fees and also for other means to generally expand the Company's business.

Description of ASX Listing Rule 7.1A

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.

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 both quoted and unquoted classes of Equity Securities, being Shares and unlisted options.

Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval under Listing Rule 7.1A 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:

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

Where:

A is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid ordinary securities issued in the 12 months on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid ordinary securities issued in the 12 months under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered prior to 12 months ago; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of any other fully paid ordinary securities issued in the 12 months with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (E) plus the number of partly paid shares that became fully paid in the 12 months;
- (F) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.4.

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. At the date of this Notice, the Company has on issue 71,511,393 Shares and will have a capacity to issue 10,726,708 Equity Securities under Listing Rule 7.1. Further as at the date of this Notice, following shareholder approval being obtained under Resolution 5, the Company will have capacity to issue a further 7,151,139 Equity Securities under Listing Rule 7.1A. However, 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 to above).

The above calculation does not include any future issues of Equity Securities for which approval has been sought under this Notice.

Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

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 earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (b) the 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), or such longer period if allowed by ASX.

(10% Placement Period)

Listing Rule 7.1A

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1. Resolution 5 is a special resolution and therefore 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).

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) The Company will only issue and allot the Equity Securities during the 10% Placement Period, that is within 12 months of the date of the AGM (ie by 6 November 2021). The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid the earlier of either of the following events occurring:
- (i) The time and date of the Company's next AGM if it is held prior to 6 November 2021; or
 - (ii) in the event that shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 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 over the 15 Trading Days immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; 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 Company may seek to issue the Equity Securities for the following purposes including but not limited to:
- (i) non-cash consideration for the growth of its existing business, acquisition of new or existing businesses including costs associated with such acquisitions, assets and investments, payment of consultants in lieu of fees and also for other means to generally expand the Company's business. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised the growth of its existing business, acquisition of new or existing businesses including costs associated with such acquisitions, assets and investments and also for other means to generally expand the Company's business and general working capital.
- The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (d) If Resolution 5 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 below table. There is a risk that:
- (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 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 closing price of the Company's Shares of \$2.36 each on 30 September 2020 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.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$1.180 50% decrease in issue price	\$2.36 Issue price	\$4.72 100% increase in issue price
71,511,393	10% voting dilution	7,151,139	7,151,139	7,151,139
Current Variable A	Funds raised	\$8,438,344.37	\$16,876,688.75	\$33,753,377.50
107,267,090	10% voting dilution	10,726,709	10,726,709	10,726,709
50% increase in current Variable A	Fund raised	\$12,657,516.56	\$25,315,033.12	\$50,630,066.24
143,022,786	10% voting dilution	14,302,279	14,302,279	14,302,279
100% increase in current Variable A	Funds raised	\$16,876,688.75	\$33,753,377.50	\$67,506,754.99

The table also shows:

- (i) 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
 - (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.
- (e) 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 the 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 issue or other issue 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 and/or new shareholders who are not related parties or associates of a related party of the Company.

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

- (f) The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at its 2019 Annual General Meeting held on 30 October 2019.

In the 12 months preceding the date of this AGM, the Company has issued 18,911,393 fully paid ordinary shares and 295,000 unquoted options (a total of 19,206,393 equity securities which represents 36.5% of the total number of equity securities on issue at the commencement of the 12 month period (being 31 October 2019), details of which are as follows:

- A total of 7,547,170 fully paid ordinary shares were issued on 6 December 2019. Shareholder approval under ASX Listing Rule 7.4 is being sought for the issue of these shares at this Annual General Meeting under Resolution 3. Details of this share issue are included under Resolution 3, however specific disclosure required under ASX Listing Rule 7.3A.6(b) is also included in the table below;
- A total of 1,339,109 fully paid ordinary shares were issued on 16 June 2020. Shareholder approval under ASX Listing Rule 7.4 is being sought for the issue of these shares at this Annual General Meeting under Resolution 4. Details of this share issue are included under Resolution 4, however specific disclosure required under ASX Listing Rule 7.3A.6(b) is also included in the table below;

Date of Issue	27 November 2019	27 November 2019	27 November 2019	6 December 2019	16 June 2020	1 July 2020
Number issued	170,000	50,000	75,000	7,547,170	9,787,800 (being 1,339,109 shares under the Placement and 8,448,691 under the institutional component of the Entitlement Offer)	1,576,423
Class of equity securities	Unlisted Options	Unlisted Options	Unlisted Options	Fully paid ordinary shares	Fully paid ordinary shares	Fully paid ordinary shares

Names of persons to whom equity securities were issued or the basis on which those persons were determined	Harry Konstantinou	Angelo Konstantinou	Kym Gallagher	Institutional and sophisticated investors identified by Ord Minnett Limited	Institutional and sophisticated investors identified by Ord Minnett Limited and eligible institutional shareholders	Eligible retail shareholders
Issue price and discount to closing market price (if any)	Nil	Nil	Nil	\$2.65 per share. The shares were not issued at a discount to market price.	\$2.20 per share. The shares were not issued at a discount to market price.	\$2.20 per share. The shares were not issued at a discount to market price.
Total cash consideration received or to be received by the entity	Nil	Nil	Nil	\$20.0 million	\$21.5 million	\$3.5 million
Use of cash consideration	Not applicable	Not applicable	Not applicable	To fund the acquisition of FnF, assist with accelerating new site rollouts, cash-backed funding of bank guarantees on leased properties, working capital flexibility and offer costs	To pursue future growth opportunities	To pursue future growth opportunities

(g) A voting exclusion statement is included in the Notice.

Resolution 5 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

Directors' recommendation

The Board unanimously recommends that shareholders vote in favour of Resolution 5.

2.6 Resolution 6 - Approval of Issue of Options to Harry Konstantinou under LTI Plan

Resolution 6 seeks approval from Shareholders for the issue of 750,000 unlisted premium priced Options to Managing Director Harry Konstantinou, or his nominee, and the subsequent issue of Shares upon the exercise of the Options.

Resolution 6 also seek approval from Shareholders for the purposes of section 200E of the Corporations Act in the event that those Options are accelerated for vesting upon Harry ceasing to be employed by the Company (or a related body corporate). *Neither Harry nor the Company has any intention for Harry to cease employment with the Company, and this Resolution for section 200E purposes is purely to ensure the Company is able to honour the terms of Harry's Options under the LTI Plan.*

As disclosed in the Company's prospectus dated 14 May 2019, Harry is entitled to participate in the Company's Long-Term Incentive Plan (**LTI Plan**). Under the LTI Plan, Directors, management and key employees identified by the Board can be offered participation in the form of Options, the terms of which are determined by the Board, and/or performance rights. Those grants are designed to assist in the reward, retention and motivation of the Company's management and key employees. In the 2020 financial year, Harry was granted 170,000 zero-priced Options under the terms of the LTI Plan.

The Board has determined that it is appropriate to grant Premium Priced Options to Harry as part of his executive remuneration for FY 2021 (170,000 zero-priced Options in 2020) subject to achievement of performance hurdles and employment continuity determined by the Board Options to be issued will vest on satisfaction of the achievement of two separate hurdles. 375,000 Options for part "A" hurdles and 375,000 Options for part "B" hurdles. That is a total of 750,000 Options. The grant of these Options is expected to occur immediately following Shareholder approval, but in any event no later than 12 months after approval.

A copy of the LTI Plan Rules is available upon request from the Company. However, a summary of the key terms of the Options proposed to be issued to Harry under the LTI Plan are provided below:

- each Option will be issued for nil consideration and has an exercise price of \$3.34;
- each Option represents a right to an ordinary share in the Company, subject to vesting conditions being met;
- Harry must remain employed by the Company's subsidiary Viva Leisure People Pty Ltd (or one of its related entities) as at 16 October 2023 in order for those Options to vest and become exercisable;
- the exercise of the Options is also subject to the satisfaction of certain performance hurdles which are determined by the Board. The table below describes the performance hurdles and vesting conditions that the Board has determined will apply to the Options proposed to be issued to Harry:

<p>Performance Hurdle: Part A</p>	<p>Earnings per Share (EPS) Compound Annual Growth Rate (CAGR)</p> <p>The percentage of Options that vest for each % EPS CAGR is illustrated in the following table:</p> <table border="1" data-bbox="564 383 1402 763"> <thead> <tr> <th data-bbox="564 383 1019 555">EPS CAGR from the financial year ending 30 June 2021 (base year)* until the financial year ending 30 June 2023 (CAGR over two financial years)</th> <th data-bbox="1019 383 1402 555">Percentage of Options that vest</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 555 1019 607">Less than 10% (Minimum target)</td> <td data-bbox="1019 555 1402 607">0%</td> </tr> <tr> <td data-bbox="564 607 1019 685">10% to 15% (Within target range)</td> <td data-bbox="1019 607 1402 685">50% - 100% (on a straight line basis)</td> </tr> <tr> <td data-bbox="564 685 1019 763">Greater than 15% (Above maximum target)</td> <td data-bbox="1019 685 1402 763">100%</td> </tr> </tbody> </table> <p>For the purposes of this Performance Hurdle, Earnings per Share means the Basic EPS recorded in the Company's audited financial statements.</p> <p>The Basic EPS may be adjusted for items which the Board, in its discretion, considers should be excluded from the EPS result (such as items of a one-off and non-recurring nature).</p> <p>*The year ending 30 June 2021 has been selected as the base year for the calculation of Basic EPS by reason that the trading result for the year ended 30 June 2020 was severely impacted by the effects of COVID 19 pandemic.</p> <p>The Board will test the satisfaction of this Performance Hurdle by 23 September 2023 (following the Company's audited accounts being finalised for FY 2023), and Harry will be notified as to the achievement of the Performance Hurdles by 30 September 2023.</p> <p>The test against the Part A Performance Hurdles will exclude the effect of AASB 16.</p>	EPS CAGR from the financial year ending 30 June 2021 (base year)* until the financial year ending 30 June 2023 (CAGR over two financial years)	Percentage of Options that vest	Less than 10% (Minimum target)	0%	10% to 15% (Within target range)	50% - 100% (on a straight line basis)	Greater than 15% (Above maximum target)	100%
EPS CAGR from the financial year ending 30 June 2021 (base year)* until the financial year ending 30 June 2023 (CAGR over two financial years)	Percentage of Options that vest								
Less than 10% (Minimum target)	0%								
10% to 15% (Within target range)	50% - 100% (on a straight line basis)								
Greater than 15% (Above maximum target)	100%								
<p>Performance Hurdle Part B</p>	<p>Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR)</p> <p>15% CAGR of TSR based on the ASX VWAP of VVA for the 20 trading days commencing from the announcement of results for 2020 and tested to the VWAP for the same post announcement of results period in 2023.</p>								
<p>First Exercise Date</p>	<p>16 October 2023</p>								
<p>Last Exercise Date</p>	<p>16 October 2025</p>								

- once vested those Options remain exercisable by Harry for a period of up to two years and any unvested or unexercised Options will then automatically lapse;
- in the event that Harry ceases employment, then the treatment of his Options will depend on whether he is considered to be a "good leaver" or a "bad leaver" under the LTI Plan rules;
- if a change of control event occurs, the Options may be subject to accelerated vesting in accordance with the LTI Plan rules and subject to the discretion of the Board; and
- the Board has absolute discretion in determining all matters in respect of retesting, hedging of unvested Options, change of control and malus and clawback.

Listing Rules

Under Listing Rule 10.14, the acquisition of securities by a Director under an employee incentive scheme (such as the LTI Plan) requires Shareholder approval. Accordingly, the Company is seeking approval for the issue of the 750,000 Premium Priced Options at an exercise price of \$3.34 to Harry for the purposes of Listing Rule 10.14.

In accordance with the Listing Rules, Shareholders are being asked under Resolution 6 to approve the grant of the Options to Harry and, to the extent those Options are exercised, the issue of Ordinary Shares.

Exception 14 in Listing Rule 7.2 provides that Listing Rule 7.1 does not apply where Shareholder approval for an issue of securities is obtained under Listing Rule 10.14. This means that, if Shareholder approval is obtained for Resolution 6, the issue of the Options and the issue of underlying Shares will not deplete the Company's 15% placement capacity under Listing Rule 7.1.

For the purposes of the specific disclosures required under Listing Rule 10.15, the Company notes as follows:

Name of the person / position	The recipient of the Options will be Managing Director Harry Konstantinou. Harry is a Director of the Company and accordingly, shareholder approval for Harry to acquire equity securities under an employee incentive scheme is required.
Proposed number and class of securities to be issued	The proposed number of Options (and subsequently number of Shares) that may be acquired by Harry Konstantinou under the LTI Plan and for which shareholder approval is required is 750,000 Options.
Current total remuneration package	Harry Konstantinou's total remuneration package for FY20 is \$558,814. Further details of Harry's remuneration can be found in the Company's Remuneration Report which forms part of the 2020 Annual Report

	https://investors.vivaleisure.com.au/investor-centre/?page=annual-reports
Number of securities previously issued	<p>In FY 2020 Harry was granted (for nil consideration):</p> <ul style="list-style-type: none"> • 170,000 zero-priced Options under the LTI Plan; <p>In FY 2019, Harry was granted (for nil consideration):</p> <ul style="list-style-type: none"> • 170,000 zero-priced Options under the LTI Plan; • 1,000,000 Tranche 1 premium priced Options (exercise price of \$1.34 per Option); and • 1,000,000 Tranche 2 premium priced Options (exercise price of \$1.43 per Option).
Material terms of the securities	<p>The Options are not quoted on the ASX and carry no voting or dividend rights. Shares issued on vesting of the Options will rank equally with ordinary shares on issue. Options are considered by the Board to be an appropriate equity security under the LTI Plan employee incentive scheme as the vesting of those Options link directly to vesting conditions to be satisfied before fully paid ordinary shares are issued.</p>
The date for issue of the securities	<p>Subject to all necessary Shareholder approval being obtained in accordance with this Notice, the premium priced Options will be issued immediately after approval and in any event no later than 12 months after the date of the Meeting.</p>
The price for each security	<p>The Options will be granted at an exercise price per option of \$3.34 and the funds raised from the issue of the Options, in the event that the whole of the 750,000 Options are exercised will be \$2,505,000</p>
A summary of the material terms of the scheme	<p>A summary of the material terms of the LTI Plan employee incentive scheme is set out above.</p>
Terms of any loans to acquire the securities	<p>No loans are proposed to be advanced in relation to the proposed issue of the Options or the exercise of the Options.</p>
Details of securities issued	<p>Details of any securities issued under LTI Plan employee incentive scheme will be published in the Company's annual report relating to the period in which they were</p>

	issued, long with a statement that approval was obtained under ASX Listing Rule 10.14. Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under LTI Plan employee incentive scheme after this resolution is approved and who are not named in this Notice will not participate until approval is obtained
Voting Exclusion Statement	A Voting Exclusion Statement is set out in this Notice.

Corporations Act

Chapter 2E

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties of a public company. Section 208 of the Corporations Act prohibits a public company giving a financial benefit to a related party unless one of a number of exceptions applies or shareholder approval is obtained. For the purposes of Chapter 2E, Harry as Managing Director is a related party of the Company, by virtue of sections 228(2) of the Corporations Act.

The Board is satisfied that the “reasonable remuneration” exception in relation to Chapter 2E of the Corporations Act applies to the proposed issue of Options to Harry under the LTI Plan.

Chapter 2D

The Company seeks shareholder approval pursuant to section 200E of the Corporations Act for accelerated vesting of unvested Options granted to Harry pursuant to this Resolution 6 in the event that Harry ceases to be employed by the Company (or a related body corporate) in limited circumstances. Circumstances where Harry’s unvested Options may be accelerated for vesting include upon cessation of employment as a “good leaver” under the LTI Plan rules, as well as cessation of employment due to a change of control event occurring. Unless expressly set out in the LTI Plan rules, the extent of acceleration, if any, is subject to the discretion of the Board exercised in accordance with the LTI Plan rules.

Neither Harry nor the Company has any intention for Harry to cease employment with the Company, and this Resolution for section 200E purposes is purely to ensure the Company is able to honour the terms of Harry’s Options under the LTI Plan.

Under section 200B of the Corporations Act, a company may only give a person a “benefit” in connection with the person ceasing to hold a managerial or executive office in the company (or a related body corporate of the Company) (**Termination Benefit**) if it is approved by shareholders under section 200E of the Corporations Act (or if an exemption applies). The term “benefit” is likely to include the accelerated vesting of Options in the limited circumstances outlined above where Harry ceases to be employed by the Company (or a related body corporate of the Company). The accelerated vesting of Harry’s Options, in those limited circumstances, is likely to amount to the giving of a Termination Benefit requiring Shareholder approval. Therefore, Shareholder approval is sought for these purposes.

For the purpose of seeking shareholder approval under section 200E of the Corporations Act, the following is disclosed:

- The maximum number of Options (for which approval is sought) that may accelerate for vesting upon cessation of Harry's employment is 750,000 being equal to the number of Options for which approval under Listing Rule 10.14 is being sought;
- The value of the "benefit" provided to Harry upon acceleration of unvested Options cannot be calculated in advance. This is because various matters will, or are likely to affect that value including:
 - the number of unvested Options that are accelerated for vesting;
 - the expected remaining term to expiration of the Options, at time of acceleration;
 - the price of the Company's shares as at time of acceleration;
 - the expected volatility of the price of the Company's shares for the expected remaining term of the Options;
 - the expected dividends (if any) on the Company's shares for the expected remaining term of the Options; and
 - the risk free interest rate for the expected remaining term of the Options.
- The Company will calculate the value of the benefit at the relevant time based on the above factors and using the appropriate options pricing model to value the accelerated Options.
- A voting exclusion statement for the purposes of section 200E(2A) is included in this Notice.

Directors' recommendation

The Board (except Harry due to his personal interest) recommends that shareholders vote in favour of Resolution 6.

Glossary

Capitalised terms used in this Notice and the Explanatory statement have the following meanings:

10% Placement Facility has the meaning given Resolution 5;

10% Placement Period has the meaning given in Resolution 5;

AGM means Annual General Meeting;

Annexure means an Annexure to this Notice;

ASIC means the Australian Securities and Investments Commission;

Associate has the meaning in the Listing Rules;

ASX means the Australian Securities Exchange or ASX Limited as the context requires;

Board means the board of Directors;

Closely Related Party (of a member of KMP of an entity) has the definition given to it by section 9 of the Corporations Act, and means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage).

Company means Viva Leisure Limited;

Constitution means the constitution of the Company;

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

Director(s) means the directors of the Company from time to time;

Equity Securities has the same meaning as in the Listing Rules;

Explanatory Statement means the explanatory statement that accompanies this Notice;

FY means financial year;

Key Management Personnel or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including any director (whether executive or otherwise) of that entity;

Listing Rules means the Listing Rules of the ASX;

LTI Plan means the Long Term Incentive Plan adopted by the Company. A copy of the LTI Plan is available upon request from the Company;

Meeting means the meeting of the Company to be held online via <https://agmlive.link/VVA20> on 6 November at 11:00 a.m. (AEDT);

Notice means the notice convening the Meeting;

Options means an option in the capital of the Company;

Proxy Form means the proxy form accompanying this Notice;

Resolution means a resolution to be voted on at the Meeting, the details of which are set out in the Notice;

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

Shareholder means a holder of a Share; and

VWAP means volume weighted average price.

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Viva Leisure Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X999999999999

PROXY FORM

I/We being a member(s) of Viva Leisure Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am on Friday, 6 November 2020** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://agmlive.link/VVA20> (refer to details in the Notice of Meeting).

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

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

VOTING DIRECTIONS

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

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

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Rhys Holleran as Non-Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of Issue of Options to Harry Konstantinou	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Ratification of Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Wednesday, 4 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



ONLINE

www.linkmarketservices.com.au

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



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



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



BY MAIL

Viva Leisure Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

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