
Notice of Annual General Meeting and Proxy Form

Melbourne Australia: Connexion Telematics Ltd (“CXZ”, “Connexion” or “the Company”) advises that the Annual General Meeting (AGM) will be held at Level 3, 162 Collins Street, Melbourne, Victoria 3000 and Virtually at 9.30am (AEDT) on 17 November 2022.

In accordance with Listing Rule 3.17, attached are the following documents:

- Letter to Shareholders;
- Notice of Annual General Meeting; and
- Proxy Form.

Ends

Issued by: Connexion Telematics Ltd.

Authorised by: The Board of Connexion Telematics Ltd

Queries:

E: aaryn.nania@connexionltd.com

About Connexion Telematics

Connexion Telematics Ltd is a developer and owner of Software as a Service (SaaS) solutions for the global Automotive industry, notably its proprietary OnTRAC and Connexion platforms. OnTRAC is used by General Motors (GM) to exclusively manage the largest Courtesy Transportation Program (CTP) in the US, whilst the Connexion platform is built with OEM-agnostic functionality.

Connexion continues to expand its proprietary SaaS solutions. With its software used by over 1 in 5 Franchised Light-Vehicle Dealerships in the US, Connexion holds a strong strategic position from which to grow its industry-leading B2B software platform.

18 October 2022

Annual General Meeting – Letter to Shareholders

Connexion Telematics Ltd (“CXZ”, “Connexion” or “the Company”) advises that an Annual General Meeting of Shareholders will be held at 9.30am (AEDT) on 17 November 2022 at Level 3, 162 Collins Street, Melbourne, Victoria 3000 and as a virtual meeting.

In accordance with Part 1.2AA of the *Corporations Act 2001*, the Company will only be dispatching physical copies of the Notice of Meeting (**Notice**) to Shareholders who have elected to receive the Notice in physical form. For further information on your right to elect to receive documents from the Company electronically or physically, please refer to the Company’s website at <https://www.connexionltd.com/>

The Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link: <https://www.connexionltd.com/>. Alternatively, the Notice will also be available on the Company’s ASX market announcements page (ASX: CXZ)

This Notice is given based on circumstances as at the date of this letter. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company’s website at <https://www.connexionltd.com/>. Shareholders are urged to monitor the ASX announcements platform and the Company’s website.

Virtual Meeting

The company is pleased to provide shareholders with the opportunity to attend and participate in the virtual Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “register” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

Questions must be submitted in writing to the Company Secretary at meetings@automicgroup.com.au at least 48 hours before the AGM.

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

To vote in person, attend the Meeting on the date and at the place set out above.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting. Shareholders attending the meeting virtually and wishing to vote on the day of the meeting can find further instructions on how to do so in the Notice of Meeting. Alternatively, shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Log into the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By post	Completing the enclosed Proxy Form and posting it to: Automic, GPO Box 5193, Sydney NSW 2001
By hand	Completing the enclosed Proxy Form and delivering it by hand to: Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

The Chair intends to vote all open proxies in favour of all resolutions, where permitted.

Yours Faithfully,



Ben Stanyer
Chief Financial Officer and Company Secretary

CONNEXION TELEMATICS LTD (COMPANY)

ACN 004 240 313

NOTICE OF 2022 ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at Level 3, 162 Collins Street, Melbourne, Victoria 3000 and Virtually at 9.30am (AEDT) on 17 November 2022.

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 4 12 787 551

CONNEXION TELEMATICS LTD

ACN 004 240 313

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Connexion Telematics Ltd (**Company**) will be held at Level 3, 162 Collins Street, Melbourne, Victoria 3000 and virtually on 17 November 2022 at 9.30 am (AEDT) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 15 November 2022 at 7:00pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 7.

AGENDA

1. Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. Resolution 1: Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

A vote on this Resolution must not be cast (in any capacity) by or on behalf of:

- a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or
- b) the person is the Chair and the appointment of the Chair as proxy:
 - i. does not specify the way the proxy is to vote on this Resolution; and
 - ii. expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

3. Resolution 2 – Re-Election of Mr Robert Downey as Director

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

“That Robert Downey, who retires by rotation in accordance with clause 5.2(c)(i) of the Constitution and for all other purposes and being eligible, offers himself for re-election, be re-elected as a Director.”

4. Resolution 3 – Adoption of the Employee Share Scheme

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

“That for the purposes of Exception 13(b) of ASX Listing Rule 7.2, sections 257B, 259B and 260C of the Corporations Act, and for all other purposes, approval is given for the Company to adopt an employee share plan titled Employee Share Scheme and for the issue of Securities under the Employee Share Scheme, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: As required by the Listing Rules, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) a person who is eligible to participate in the Employee Share Scheme; or
- (b) an Associate of any person described in (a).

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

Voting Prohibition Statement:

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and

- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

5. Resolution 4 – Issue of Shares and Provision of Loan under Employee Share Scheme – Robert Downey

In the event Shareholders do not approve the adoption of the Employee Share Scheme pursuant to Resolution 3, the Chair will withdraw Resolution 4.

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

“That, subject to the passing of Resolution 3, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to:

- (a) *issue up to 3,091,825 Shares to Mr Robert Downey (or his nominee); and*
 - (b) *provide a Loan to be paid to the Company on behalf of Mr Robert Downey for the subscription of those Shares,*
- under the Employee Share Scheme and on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: As required by the Listing Rules, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) Robert Downey;
- (b) a person referred to in Listing Rule 10.14 who is eligible to participate in the Employee Share Scheme; or
- (c) an Associate of those persons in (a) and (b).

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

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. Resolution 5 – Issue of Shares and Provision of Loan under Employee Share Scheme – Aaryn Nania

In the event Shareholders do not approve the adoption of the Employee Share Scheme pursuant to Resolution 3, the Chair will withdraw Resolution 5.

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

“That, subject to the passing of Resolution 3, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to:

- (a) *issue up to 20,612,180 Shares to Mr Aaryn Nania (or his nominee); and*
- (b) *provide a Loan to be paid to the Company on behalf of Mr Aaryn Nania for the subscription of those Shares,*

under the Employee Share Scheme and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: as required by the Listing Rules, the Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) Aaryn Nania;
- (b) a person referred to in Listing Rule 10.14 who is eligible to participate in the Employee Share Scheme; or
- (c) an Associate of those persons in (a) and (b).

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

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. Resolution 6 – Issue of Shares and Provision of Loan under Employee Share Scheme – Simon Scalzo

In the event Shareholders do not approve the adoption of the Employee Share Scheme pursuant to Resolution 3, the Chair will withdraw Resolution 6.

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

“That, subject to the passing of Resolution 3, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to:

- (a) issue up to 3,091,825 Shares to Mr Simon Scalzo (or his nominee); and*
 - (b) provide a Loan to be paid to the Company on behalf of Mr Simon Scalzo for the subscription of those Shares,*
- under the Loan Funded Share Scheme and on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: As required by the Listing Rules, the Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) Simon Scalzo;
- (b) a person referred to in Listing Rule 10.14 who is eligible to participate in the Employee Share Scheme; or
- (c) an Associate of those persons in (a) and (b).

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

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. Resolution 7 – Approval to Exceed 10/12 On-Market Buy-Back Limit

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

“That, for the purposes of section 257C of the Corporations Act and for all other purposes, approval is given for the Company to buy-back up to 182,420,265 shares representing approximately 20% of the Company’s issued Shares as at the date of this notice, in the 12 month period following the approval of this Resolution, pursuant to an on-market buy-back conducted on the terms and conditions set out in the Explanatory Memorandum.”

9. Resolution 8 – Amendment to Constitution

To consider and, if thought fit, to pass with or without amendment, 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 for the Company to amend its Constitution in the manner set out in the Explanatory Statement, with effect from the conclusion of the meeting.”

Dated 18 October 2022

BY ORDER OF THE BOARD

Ben Stanyer
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at Level 3, 162 Collins Street, Melbourne, Victoria 3000 and virtually on 17 November 2022 at 9.30am (AEDT).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

1. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.1 Voting in Person

In light of the adoption of technology and virtual meetings over the past few years, the Directors have made the decision that it is in the best interest of Shareholders' that a Hybrid Meeting be held. To vote in person, Shareholders are invited to attend the Meeting to be held at Level 3, 162 Collins Street, Melbourne, Victoria 3000 on the date set out above. Shareholders attending the meeting virtually and wishing to vote on the day of the meeting can find further instructions on how to do so in Section 1.3 below in the Notice of Meeting.

Accordingly, the Directors encourage all Shareholders to either lodge a directed proxy form prior to the Meeting or attend and vote online at the Meeting.

1.2 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting online.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and

- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If you wish to appoint a proxy to vote for you at the Meeting, your proxy form must be received not later than 48 hours before the commencement of the Meeting. Proxy forms received later than this time will be invalid.

There may be restrictions on how your proxy can vote on certain resolutions to be considered at the Meeting. Further details of when these restrictions apply, and what you can do to ensure that your proxy can vote as you intend, are set out in the sections of this Notice headed Voting Exclusions.

The Chair intends to vote all proxies given to the Chair in favour of Resolutions 1 to 8.

1.3 Voting Virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM will need to login to the online meeting platform powered by Automic.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “register” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to investor.automic.com.au
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 display at the bottom of your screen to indicate that the meeting is open for registration, click on “Register” when this appears. Alternatively, click on “Meetings” on the left-hand menu bar to access registration.
4. Click on “Register” and follow the steps.
5. Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" to be taken to the voting screen.
6. Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted.

For further information on the live voting process please see the **Registration and Voting Guide** at [Shareholder Registration & Voting Guide](#)

https://web.automic.com.au/er/public/api/documents/BCT?fileName=Virtual_Meeting__Shareholder_Registration__Voting_Guide_.pdf

Attending the meeting online enables shareholders to view the AGM live and to also ask questions and cast direct votes at the appropriate times whilst the meeting is in progress.

2. Financial Statements and Reports

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.connexionltd.com.

3. Resolution 1: Adoption of Remuneration Report

3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Company or the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Director's report contained in the annual financial report of the Company for a financial year.

The Chair of the meeting must allow a reasonable opportunity for its Shareholders to ask questions about or make comments on the Remuneration Report at the AGM.

3.2 Voting Consequences

The vote on the remuneration report is advisory only and does not bind the Directors or the Company. However, under the Corporations Act:

- (a) if at least 25% of the votes cast at any AGM on a resolution to adopt the remuneration report are cast against the adoption of the remuneration report, the Company's next remuneration report must explain the Board's proposed action in response or explain why no action has been taken; and
- (b) if, at the AGM in the following year, at least 25% of the votes cast on a resolution to adopt the remuneration report are cast against the adoption of the remuneration report, a resolution must be put to the Shareholders that another meeting be held within 90 days at which all the Directors who were directors when the resolution to approve the Directors' report for that year was passed, excluding any managing director, would need to stand for re-election.

3.3 Previous Voting Results

At the 2021 AGM, the votes cast against the Remuneration Report were less than 25%. Accordingly, the Spill Resolution is not relevant for this AGM.

3.4 Proxy Voting Restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directions Given	No Directions Given
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of Proxy ⁴
Other	Vote as directed	Able to vote at discretion of Proxy

Notes:

1. Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.
2. Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).
3. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.
4. The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3.5 Board Recommendation

The Board recommends that Shareholders vote **in favour** of Resolution 1.

4 Resolution 2: Re-Election Mr Robert Downey as Director

4.1 Introduction

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 5.3(c)(i) of the Constitution requires that one-third of the Directors retire by rotation at each AGM. The Directors to retire under Clause 5.3(c)(i) are those who have been longest in office since their last election, but as between those persons who became Directors on the same day, those to retire will, unless they otherwise agree among themselves, be determined by drawing lots.

Mr Rob Downey has agreed to stand for election at the 2022 AGM.

4.2 Background

Mr Robert Downey is a qualified solicitor who has practised mainly in the areas of international resources law, corporate law and initial public offerings as well as mergers and acquisitions. He has extensive experience as an advisor, founder and director of various ASX, TSX and AIM companies. Mr Robert Downey is currently a principal at Dominion Legal, a boutique law firm in Perth.

Mr Robert Downey is currently a non-executive director of Zeotech Ltd, Mt Malcolm Mines NL and Cervantes Corporation Ltd.

The Directors consider that Mr Robert Downey is an independent Director. Mr Downey provides legal advice to the Company however the quantum of fees in respect to that advice is not considered material to both the Company and Mr Robert Downey.

4.3 Recommendation

The Directors of the Company support the election of Mr Robert Downey and unanimously recommend to all Shareholders that they vote **in favour** of Resolution 2.

4. Resolutions 3 – Adoption of the Employee Share Scheme

4.1 General

As noted above, Resolution 3 seeks Shareholders approval for the adoption of the employee share plan titled Employee Share Scheme (**ESS**) under ASX Listing Rule 7.2 (Exception 13(b)). A summary of the key terms of the ESS is set out in Schedule 1 to this Notice and a copy of the ESS rules is available upon request from the Company.

The ESS is a flexible employee incentive scheme that enables the Company to offer executives (and other selected employees and Directors) a range of different interests or awards to reward and drive performance, retain senior management and other selected employees and to offer broad based employee share ownership. These interests or awards include Performance Rights, Options and Shares. However, if the adoption of the ESS is approved by Shareholders, the Company intends to issue only Shares for its initial offers under the ESS (including the offer of ESS Shares to Mr Downey, Mr Nania and Mr Scalzo).

4.2 ASX Listing Rule 7.2 (Exception 13(b))

Exception 13 of ASX Listing Rule 7.2 sets out an exception to ASX Listing Rule 7.1. Broadly and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its Shareholders over a rolling 12-month period to 15% of the fully paid ordinary shares it had on issue at the start of the period. The effect of shareholder approval under Listing Rule 7.2 (Exception 13(b)) is any issues of Securities under the ESS are treated as having been made with the approval of Shareholders for the purpose of Listing Rule 7.1. Approval under Listing Rule (Exception 13(b)) lasts for a period of 3 years.

If Resolution 3 is passed, the Company will be able to issue Shares under the ESS to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12-month period.

Shareholders should note that no Securities have previously been issued under the ESS.

A material feature of the ESS is the issue of Shares pursuant to the ESS may be undertaken by way of provision of loan to be used for the purposes of subscribing for the Shares.

Any future issues of Shares under the ESS to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolutions 4, 5 and 6 for the issue of Shares to Directors, Robert Downey, Aaryn Nania and Simon Scalzo pursuant to the ESS.

A summary of the key terms and conditions of the ESS is set out in Schedule 1. In addition, a copy of the ESS is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the ESS rules can also be sent to Shareholders upon request to the Company Secretary, Ben Stanyer on +61 412 787 551. Shareholders are invited to contact the Company if they have any queries or concerns.

4.3 Information required under Exception 13 of Listing Rule 7.2

In accordance with exception 13 of ASX Listing Rule 7.2, the following information is provided:

- (a) a summary of the key terms of the ESS is set out in Schedule 1 to this Notice;
- (b) as at the date of this Notice, no Securities have been issued under the ESS;
- (c) the maximum number of Securities proposed to be issued under the ESS if shareholder approval is obtained at the Meeting is 15% of the Company's issued share capital as at the date of such approval. As at the date of this Notice, the Company's issued share capital is 877,817,871 Shares (therefore the maximum number of Securities that can be issued under the ESS is expected to be 131,672,681 Shares before seeking a renewal of Shareholder approval); and
- (d) a voting exclusion statement is included in the notice of meeting.

4.4 Recommendation

The Board recommends that Shareholders vote **in favour** of Resolution 3.

In the event Shareholders do not approve adoption of the ESS pursuant to Resolution 3, the Chair will withdraw Resolutions 4, 5 and 6. The Company may still issue securities under the ESS but any issue without Shareholder approval will reduce, to that extent, the Company's capacity to issue Equity Security under Listing Rule 7.1 for 12 months following the issue. This may limit the Company's ability to utilise the ESS without additional Shareholder approval.

5. RESOLUTIONS 4, 5 AND 6 – Approval of Related Party Participation in the ESS and Approval of Loans to Related Party

In the event Shareholders do not approve adoption of the Employee Share Scheme pursuant to Resolution 3, the Chair will withdraw Resolutions 4, 5 and 6.

5.1 General

As noted above, the Company has agreed, subject to obtaining Shareholder approval for adoption of the ESS (the purpose of Resolution 3), to:

- (a) the issue of Shares under the ESS to each of Robert Downey, Aaryn Nania and Simon Scalzo (together the **Participants**); and
- (b) the provision of an interest-free, non-recourse loan to be paid to the Company on behalf of each Participant for the amount required to subscribe for the Shares (**Loan**) pursuant to the ESS and on the terms and conditions set out below.

Chapter 2E of the Corporations Act provides that, for a public company to give a financial benefit to a related party of the public company, the public company must obtain the approval of members unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act. These exceptions include where the financial benefit is given on terms that would be reasonable in the circumstances if the public company and the related party were dealing at arm's length, and where the financial benefit is remuneration to the related party as an officer of the public company and the giving of such remuneration is reasonable given the circumstances of the public company and the related party's circumstances (including the responsibilities involved in the office).

The issue of Shares under the ESS and the provision of the Loans to the Participants for the purpose of acquiring the Shares constitutes giving a financial benefit and each of Robert Downey, Aaryn Nania and Simon Scalzo is a related party of the Company by virtue of being a Director.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares and provision of the Loans to the Participants for the purpose of acquiring the Shares under the terms of the ESS because each of the agreements for the provision of the Loans, reached as part of the remuneration package for each of Robert Downey, Aaryn Nania and Simon Sclazo, are considered reasonable remuneration in the circumstances and were negotiated on an arm's length basis.

5.2 ASX Listing Rules 10.11 and 10.14

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party or substantial holder, unless an exception in Listing Rule 10.12 applies.

The Company is seeking to rely on Exception 8 of Listing Rule 10.12 which applies only if an issue of equity securities to a related party under an employee incentive plan is made, or taken to have been made, with the approval of the holders of the entity's ordinary securities under Listing Rule 10.14. As such, the Company is seeking Shareholder approval for the purposes of Listing Rule 10.14.

Approval pursuant to Listing Rule 7.1 is not required for any future issue of Shares to the Participants under the ESS as approval is being obtained under Listing Rule 10.14. Accordingly, the issue of Shares to the Participants (or their nominees) will not be included in the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

5.3 Technical Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15, the following information is provided in relation to Resolutions 4, 5 and 6:

- (a) the Shares will be issued to Robert Downey, Aaryn Nania and Simon Scalzo;
- (b) each of Robert Downey, Aaryn Nania and Simon Scalzo is a related party of the Company pursuant to Listing Rule 10.14.1 by virtue of being a Director;
- (c) the maximum number of Shares to be issued to the Participants (or their respective nominees) is 26,795,830 comprising:
 - (i) 3,091,825 Shares to Mr Robert Downey;
 - (ii) 20,612,180 Shares to Mr Aaryn Nania; and

- (iii) 3,091,825 Shares to Mr Simon Scalzo;
- (d) Mr Downey's total remuneration package per annum comprises of \$33,150 salary, inclusive of superannuation;
- (e) Mr Nania's total remuneration package per annum comprises of \$221,000 salary, inclusive of superannuation and up to 20,000,000 Performance Rights, as per the 2021 AGM;
- (f) Mr Scalzo's total remuneration package per annum comprises of \$24,000 USD salary;
- (g) No Securities have previously been issued to the Participants under the ESS;
- (h) the Shares issued to the Participants will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares other than being subject to dealing restrictions and a holding lock under the terms of the ESS;
- (i) the Shares will be issued to the Participants no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (j) the issue price for the Shares to be issued to the Participants under the ESS will be the 5 Trading Day VWAP of the Company's Shares on ASX up to the Business Day prior to the date an invitation to subscribe for Shares under the ESS is sent to each of the Participants;
- (k) the key terms of the ESS are attached at Schedule 1 to this Notice;
- (l) the Loans will be provided to the Participants for the purpose of acquiring the Shares under the ESS on the following key terms and otherwise subject to the terms and conditions of the ESS:
 - (i) (non-recourse): the Loans will be non-recourse loans secured by the Shares;
 - (ii) (interest-free): the Loans will be interest-free; and
 - (iii) (term): five (5) years from the date of issue of the Shares subject to earlier repayment in accordance with the terms of the ESS (e.g. ceasing to be an employee of the Company, an event of insolvency);
- (m) details of any Securities issued under the ESS will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue under Listing Rule 10.14 for the issue was obtained at this Meeting;
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the ESS after Resolutions 4, 5 and 6 are approved but who are not named in this notice of meeting will not participate until shareholder approval is obtained under Listing Rule 10.14; and
- (o) a voting exclusion statement is included in this Notice.

5.4 Recommendation

The Board (other than Robert Downey) recommends that Shareholders vote **in favour** of Resolutions 4.

The Board (other than Aaryn Nania) recommends that Shareholders vote **in favour** of Resolutions 5.

The Board (other than Simon Scalzo) recommends that Shareholders vote **in favour** of Resolutions 6.

6. RESOLUTIONS 7 – APPROVAL TO EXCEED 10/12 ON-MARKET BUY-BACK LIMIT

6.1 General

On 8 June 2022, the Company announced that it would conduct an on-market buy-back and intend to seek Shareholder approval for the repurchase up to 20% of total shares on issue over twelve months, excluding any shares repurchased through the Minimum Holding Share Buyback (completed 8 August 2022).

If this Resolution is approved, the Company will be able to buy-back up to 182,420,265 Shares under the Buy-Back Program over a period up to 12 months from the date of approval of Shareholders at the meeting. If this Resolution is not approved, the Company will be prohibited from buying back Shares in excess of the 10/12 limit.

Shareholders should note that this is a permissive Resolution, and therefore, does not require the Company to buy back Shares under the Buy-Back Program. There is no guarantee that the Company will buy back the maximum number of Shares permitted under the Buy-Back Program if this Resolution is passed.

The Company reserves the right to suspend or terminate the Buy-Back Program at any time, and the size and timing of any Share buy-backs will be determined by the Board.

6.2 Section 257C of the Corporations Act

The Corporations Act provides that the rules relating to share buy-backs are designed to protect the interests of shareholders and creditors by:

- a) addressing the risk of the transaction leading to the company's insolvency;
- b) seeking to ensure fairness between the shareholder of the company; and
- c) requiring the company to disclose all material information.

Section 257A of the Corporations Act provides that a company may buy-back its own shares if:

- a) the buy-back does not materially prejudice the company's ability to pay its creditors; and
- b) the company follows the procedures laid down in Division 2 of Part J.1 of the Corporations Act.

Under the Corporations Act, shareholder approval is required for an on-market buy-back if all of the voting shares bought back during the last 12 months, and the voting shares proposed to be

bought back, exceed 10% of the smallest number of voting shares on issue in the Company at any time during the last 12 months (**10/12 limit**).

As the buy-back proposed under the Buy-Back Program would exceed the 10/12 limit, shareholder approval by way of an ordinary resolution is required.

A copy of this Notice (including the Explanatory Memorandum) has been lodged with ASIC.

6.3 Material Information relating to Buy-Back Program

The Company provides the following information in relation to the Buy-Back Program, as required by section 257C(2) of the Corporations Act and *ASIC Regulatory Guide 110: Share buy-backs*.

a) Process and period

The Buy-Back Program is an on-market buy-back on the terms announced 8 June 2022 and contained in this Notice.

If Shareholder approval for the Resolution is obtained, offers that are in excess of the 10/12 limit can be made under the Buy-Back Program after the Meeting. If the Resolution is approved, any buy-backs under the Buy-Back Program will be completed within 12 months from the date of the Meeting (that being 17 November 2022).

b) Number of Shares on issue

The Company has 874,817,871 Shares on issue as at the date of this Notice.

c) Maximum number of Shares to be bought back

Under the Buy-Back Program, the maximum number of Shares to be bought back on-market is 182,420,265 Shares, which represents approximately 20% of the issued capital of the Company.

The number and percentage of Shares to be bought back will be determined based on the Share price and market conditions over the period of the Buy-Back Program.

d) Particulars of the terms of the Buy-Back Program

The usual ASX rules for settlement of on-market transactions will apply to the Shares acquired under the Buy-Back Program. All Shares that are bought back under the Buy-Back Program will be immediately cancelled upon settlement of the trade.

e) Offer price

The price under the Buy-Back Program will be the prevailing marketing price for Shares and will be subject to ASX Listing Rule requirements.

ASX Listing Rule 7.33 provides that a company may only buy back Shares under an on-market buy-back at a price which is not more than 5% above the volume weighted average market price for Shares in that class, calculated over the last 5 days on which sales in the Shares were recorded before the day on which the purchase under the buy-back was made.

The Company's closing Share price on 29 September 2022, being the last practicable date before the finalisation of this Notice, was \$0.01. The lowest and highest market sale prices for the Company's Shares on the ASX during the previous 3 months were \$0.009 and \$0.012, respectively.

f) Reasons for the Buy-Back Program

The Board considers that the Company's current Share price does not accurately reflect the underlying value of the Company's assets and growth prospects and the Buy-Back Program offer a number of advantages, as described below.

g) Interests of participating Directors

The Directors (and their Related Parties) have confirmed that they will not participate in the Buy-Back Program.

h) Financial effect of the Buy-Back Program on the Company

Shareholders should be aware that any Shares bought back by the Company under the Buy-Back Program would result in a reduction in the number of Shares on issue. As at 29 September 2022, the Company had 874,817,871 Shares on issue. Given the maximum number of Shares that could be bought back under the Buy-Back Program, it is not anticipated that the Buy-Back Program will result in a material change in the liquidity or control of the Company's Shares.

The Board does not believe that the Buy-Back Program will materially prejudice the Company's ability to pay its creditors. No adverse tax consequences are expected to arise for the Company from the Buy-Back Program.

i) Source of funds

The Buy-Back Program will be funded by the Company's existing cash and will reduce the Company's cash balance by the aggregate amount paid to buy-back Share on-market under the Buy-Back Program

j) Advantages of the Buy-Back Program

The advantages of the Company's Buy-Back Program are:

- i) efficient and flexibly means of returning excess funds to Shareholders;
- ii) reduces excess cash holdings;
- iii) increase the liquidity of the Shares;
- iv) increase in the ownership interest in the Company of each Shareholder of the Company, given that there will be a lesser number of Shares on issue; and
- v) promote a more efficient capital structure.

k) Disadvantages of the Buy-Back Program

The disadvantages of the Company's Buy-Back Program are:

- i) artificially supporting the Share price;
- ii) the possibility of paying too high a price for the Shares; and
- iii) reduces the cash balances of the Company.

l) Buy-Back Program period

If this Resolution is approved, the Buy-Back Program will commence on the date of the Meeting and will operate for as long as 12 months from the date of the Meeting.

m) Current Share Price

As at 29 September 2022, that being the last practicable date before the issue of this Notice, the closing price of Shares on ASX was \$0.01.

6.4 Board Recommendation

The Board unanimously recommends that Shareholders vote **in favour** of this Resolution.

The Directors confirm that they intend to vote in favour of this Resolution in relation to all votes that they control. No Director has an interest in the Buy-Back Program other than as holders of Shares in the Company.

7. RESOLUTIONS 8 – AMENDMENT TO CONSTITUTION

7.1 General

The Company's current constitution was adopted by the Company following receipt of Shareholder approval on 22 April 2014. The Company is proposing some modifications to its Constitution to reflect certain changes the Corporations Act, primarily to facilitate virtual general meetings, with the law having recently changed to allow for virtual and hybrid meetings.

The changes include clarifying that Directors may determine that a meeting be held by means of virtual meeting technology or other communication facilities that gives the members as a whole a reasonable opportunity to participate and vote. Accordingly, the Company wishes to amend its existing Constitution so that the Company can in the future have the option to hold virtual general meetings using technology that gives the shareholders as a whole a reasonable opportunity to participate.

Effective from 1 December 2019 the ASX implemented changes to the escrow regime for restricted securities. The update to ASX Listing Rule 15.12 which requires a listed entity's constitution to contain certain provisions so long as an entity has "restricted securities" (as defined by the Listing Rules) on issue. These proposed amendments (if approved) provide the constitutional underpinning for ASX's modified escrow regime.

In addition, other administrative changes are proposed to assist with alignment of ASX Listing Rules (in relation to the transfer procedure for securities, this would be Listing Rule 8.14.1, which permits the Company to charge a reasonable fee to register a transfer of securities in limited circumstances).

The Company has prepared an updated Constitution (**New Constitution**) which incorporates the amendments set out below.

a) Amend Clause 4.5(b) as follows:

4.5(b) Technology

Subject to Corporations Act, the Listing Rules and any applicable law:

- (i) a general meeting may be held at one or more venues using any technology that gives the members as a whole a reasonable opportunity to participate;
- (ii) a general meeting may be hybrid (virtual and in-person) held at one or more venues using any technology that gives the members as a whole a reasonable opportunity to participate;
- (iii) a general meeting may be held virtually only using any technology that gives members as a whole a reasonable opportunity to participate;
- (iv) a reference to a “place” when used in the context of a general meeting may be, but need not be, a physical place;
- (v) participation in a hybrid or virtual meeting using any technology that gives the members as a whole a reasonable opportunity to participate shall constitute presence in person or ‘personally’ at such meeting (including for the purpose of any quorum requirements in this Constitution); and
- (vi) if, before or during a general meeting of members, any technical difficulty occurs, such that the members as a whole do not have a reasonable opportunity to participate, the chair of the meeting may:
 - a. adjourn the meeting until the technical difficulty is remedied; or
 - b. where a quorum remains present (either at the place at which the chair is present or by technology contemplated by this clause 4.5(b)) and able to participate, subject to the Corporations Act, continue the meeting (in which case no member may object to the meeting being held or continuing).

b) Amend Clause 3.9(a) as follows:

3.9(a) Compliance with Listing Rules relating to Restricted Securities

The Company shall comply in all respects with the requirements of the Listing Rules with respect to “restricted securities”. Without limiting the generality of the above:

- (i) a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;
- (ii) if the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the entity’s issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;

- (iii) the entity will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;
 - (iv) a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and
 - (v) if a holder of restricted securities breaches a restriction deed or a provision of the Company's constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.
- (c) Remove Clause 3.9(b).
 - (d) Remove Clause 3.9(c).
 - (e) Amend Clause 3.7(d) as follows:

3.7(a) Registration of paper-based transfers of Securities

Subject to compliance with the Listing Rules, a reasonable fee may be charged on the registration of paper-based transfers of Shares or other securities and marking a transfer form, or marking a renunciation and transfer form, within 2 business days after the form is lodged.

- (f) Renewal of Clause 3.11:

3.11 Proportional takeover provisions

The Company's Constitution contains provisions concerning Proportional takeover bids in Clause 3.11 (**Proportional Takeover Provisions**). The Proportional Takeover Provisions provide that the Company can refuse to register Shares acquired under a proportional takeover bid unless an approving resolution is passed by Shareholders.

Section 648G(1) of the Corporations Act provides that a company's proportional takeover provisions will cease to have effect at the end of three years from the date of adoption (or renewal, as the case may be). Clause 3.11 of the Company's Constitution was adopted by Shareholders on 22 April 2014. The Company accordingly seeks the Shareholder approval of this Resolution for the renewal of the Proportional Takeover Provisions, which, for the purposes of the Corporations Act, requires the same process to amend or adopt a new constitution for the purposes of 136(2) of the Corporations Act. Shareholder approval will not result in a change to the wording of Clause 3.11 of the Company's current Constitution.

The following information is provided for the purposes of Section 648G of the Corporations Act.

Proportional takeover bid

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of the Shareholder's Shares. If a Shareholder accepts, in full, an offer under a proportional takeover bid, the Shareholder will only dispose of a specified portion of their Shares in the Company and retain the balance of the Shares.

The Proportional Takeover Provisions are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company by providing, in the Constitution, that:

- (a) in the event of a proportional takeover bid being made for Shares in the Company, Shareholders are required to vote and collectively decide whether to accept or reject the offer; and
- (b) the majority decision of the Company's members will be binding on all Shareholders.

Effect of the proposed provisions

Where offers have been made under a proportional takeover bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional takeover bid is prohibited unless and until a resolution to approve the proportional takeover bid is passed by Shareholders or otherwise, as pursuant to the terms of the Proportional Takeover Provisions.

In more detail, the effect of the Proportional Takeover Provisions is as follows:

- (a) if a proportional takeover bid is made for Securities of the Company, the Directors must ensure that a meeting of Shareholders is convened to vote on a resolution to approve that bid;
- (b) the bidder and persons associated with the bidder may not vote;
- (c) approval of the bid will require a simple majority of the votes cast;
- (d) the meeting must take place more than 14 days before the last day of the bid period (**Resolution Deadline**);
- (e) if the resolution is rejected before the Resolution Deadline, the bid cannot proceed and any transfers giving effect to takeover contracts for the bid will not be registered;
- (f) the bid will be taken to have been approved if, as at the end of the day before the Resolution Deadline, the resolution has not been voted on;
- (g) if the resolution is approved, the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution); and
- (h) the Directors will breach the Corporations Act if they fail to ensure the resolution is voted on. However, the bid will still be taken to have been approved if it is not voted on within the Resolution Deadline.

The Proportional Takeover Provisions do not apply to full takeover bids. If the Proportional Takeover Provisions are renewed, they will cease to apply at the end of three years after renewal unless renewed by a Special Resolution of Shareholders.

Reasons for the proposed provisions

In the absence of the Proportional Takeover Provisions, a proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders could be exposed to the risks of passing control to the bidder without payment of an adequate control premium for all their Shares and being left with a minority interest in the Company. Such Shareholders could suffer potential further loss if the takeover bid were to cause a decrease in the Share price or otherwise make the Shares less attractive and, therefore, more difficult to sell.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal to acquire, or to increase the extent of, a substantial interest in the Company.

Advantages and disadvantages during the period in which they have been in effect

The Directors consider that the Proportional Takeover Provisions had no advantages or disadvantages for them during the period in which they have been in effect.

The advantages and disadvantages of the Proportional Takeover Provisions for Shareholders include those set out below, which were applicable during the period in which they have been in effect.

Potential advantages and disadvantages

The renewal of the Proportional Takeover Provisions will enable the Directors to formally ascertain the views of the Shareholders in respect of a proportional takeover bid. Without such provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that the Proportional Takeover Provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the Proportional Takeover Provisions for Shareholders include:

- (a) providing the right to discuss, in a meeting called specifically for that purpose, and then decide, by majority vote, whether an offer under a proportional takeover bid should proceed;
- (b) assisting the prevention of Shareholders being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced;
- (d) potentially increasing the likelihood of a full takeover bid rather than a proportional takeover bid; and/or
- (e) enabling individual Shareholders to better assess the likely outcome of the proportional takeover bid, by knowing the view of the majority of Shareholders, which may assist in deciding whether to accept or reject an offer under the bid.

The potential disadvantages of the Proportional Takeover Provisions for Shareholders include:

- (a) imposing a hurdle to, and potentially discouraging the making of, provisional takeover bids which, in turn, may reduce any takeover speculation element in the price of Shares;
- (b) potentially reducing the likelihood of success of a proportional takeover bid;
- (c) possible reduction or loss of opportunities for Shareholders sell some or all of their Shares at a premium; and/or
- (d) potentially causing some Shareholders to form the view that the Proportional Takeover Provisions impose an unreasonable restriction on their ability to freely deal with their Shares.

Accordingly, the Company has prepared an updated Constitution (New Constitution) which renews Clause 3.11 which prescribes the procedure to be followed when a proportional off-market bid is made.

Prior to the Meeting, a copy of the New Constitution is available for review by Shareholders at the Company's registered office during normal business hours. A copy of the New Constitution can also be sent to Shareholders of the Company upon a request being made to the Company Secretary on ben.stanyer@connexionltd.com.

A complete signed copy of the New Constitution will be tabled at the Meeting.

Pursuant to section 136(2) of the Corporations Act, a modification to the Company's Constitution can only be effected by way of a Special Resolution passed by its Shareholders. Therefore, this Resolution is a Special Resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on this Resolution are voted in its favour.

7.2 Professional Advice

If you have any doubt or do not understand this Resolution, it is strongly recommended that you seek advice from a solicitor or other professional advisor.

7.3 Board Recommendation

The Board unanimously recommends that Shareholders vote **in favour** of this Resolution.

8. Definitions

\$ means Australian Dollars.

AGM or Meeting means an annual general meeting of the Company and, unless otherwise indicated, means the annual general meeting convened by this Notice.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

AEDT means Australian Eastern Daylight Time, being the time in Melbourne, Victoria.

Board means the board of Directors as constituted from time to time.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the chair of this Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company means Connexion Telematics Ltd (ACN 004 249 313).

Company Secretary means Mr Ben Stanyer.

Constitution means the current constitution of the Company.

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

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means a person 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 ASX.

Employee Share Scheme or **ESS** means the Connexion Telematics Ltd Employee Share Scheme.

Notice means this notice of meeting.

Option means an option to acquire a Share.

Performance Right means a right to be issued Shares under the ESS.

Plan Committee means a committee which has been delegated power by the Board to administer the ESS or if there has been no delegation, the Board.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Security means a Share, an Option or a Performance Right or any combination of these as the context provides.

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

Shareholder means a shareholder of the Company.

Spill Resolution means the resolution to be put to Shareholders at the Meeting if more than 25% of votes cast on the resolution to adopt the Remuneration Report at the Meeting are against that resolution.

Spill Meeting means the meeting of Shareholders that will be convened within 90 days of the Meeting if the Spill Resolution is put to the Meeting and passed.

Trading Day has the meaning given to it in the ASX Listing Rules.

VWAP means volume weighted average price.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 1 Summary of the Employee Share Scheme

The key terms of the Employee Share Scheme (**ESS**) are as follows:

- (a) **Eligibility:** The Plan Committee has the discretion to determine which executives and employees are eligible to participate in the ESS, and what type of Securities suit the remuneration or incentive purpose (**Eligible Participants**). The definition of employee under the ESS rules includes any full time or permanent part-time employee or officer and a Director of the Company. Directors, including non-executive Directors, are only eligible to participate in the ESS if approved by Shareholders.
- (b) **Administration of the ESS:** The Plan Committee is responsible for the operation of the ESS and has a broad discretion to determine which Eligible Participants will be offered Securities under the ESS. For example, the Plan Committee has a discretion to vary and/or waive the vesting conditions.
- (c) **Offer:** The Plan Committee may make an offer to an Eligible Participant to participate in the ESS (**Offer**). The Offer:
 - (i) will invite application for the number of Securities specified in the Offer (**ESS Securities**);
 - (ii) will specify the issue price for the ESS Securities or the manner in which the issue price is to be calculated;
 - (iii) may invite applications for a loan for the purpose of subscribing for Shares under the ESS (**Loan**);
 - (iv) will specify any vesting or restriction conditions applying to the ESS Securities;
 - (v) will specify an acceptance period; and
 - (vi) specify any other terms and conditions attaching to the ESS Securities.
- (d) **Issue price:** The issue price of the ESS Securities shall be determined by the Plan Committee in its absolute discretion, which may be a nominal or nil amount.
- (e) **Vesting Conditions:** The vesting of any ESS Securities may be subject to vesting conditions determined by the Plan Committee, which may include the satisfaction of performance, service or other conditions (**Vesting Conditions**).
- (f) **Loan:** An Eligible Participant who is invited to subscribe for ESS Securities will also be invited to apply for a Loan up to the amount payable in respect of the ESS Securities accepted by the Eligible Participant (**Applicant**), on the following terms:
 - (i) the Loan made available to an Applicant shall be applied by the Company directly toward payment of the issue price of the ESS Securities;
 - (ii) the Loan repayment date (**Repayment Date**) and the manner for making such payments shall be determined by the Plan Committee and set out in the Offer;
 - (iii) an Applicant must repay the Loan by the Repayment Date but may elect to repay the Loan respect of any or all of the ESS Securities at any time prior to the Repayment Date;

- (iv) the Company shall have a lien over the ESS Securities in respect of which a Loan is outstanding and the Company shall be entitled to cancel those ESS Securities in accordance with the terms of the ESS;
- (v) the Plan Committee may determine that a Loan will be non-recourse except against the ESS Securities held by the Applicant to which the Loan relates;
- (vi) the Plan Committee may, in its absolute discretion, agree to forgive a Loan made to an Applicant; and
- (vii) a Loan shall become repayable in full where:
 - (A) a Vesting Condition in relation to the ESS Security the subject of the Loan is not satisfied by the due date, or becomes incapable of satisfaction in the opinion of the Plan Committee, unless that Vesting Condition is not waived by the Plan Committee;
 - (B) the Applicant ceases to be an Eligible Participant for any reason (including death) and, at that time, there is a Vesting Condition that is unsatisfied or is incapable of being satisfied in the Plan Committee's opinion (and this Vesting Condition is not waived); or
 - (C) the Applicant breaches any condition of the Loan or the ESS.
- (g) **Power of Attorney:** A participant in the ESS irrevocably appoints each of the Company and each Director of the Company severally as his or her attorney to do all things necessary to give effect to the buyback of the Eligible Participant's ESS Securities including executing all documents and seeking or providing all necessary approvals and the participant acknowledges and agrees that the power of attorney is given for valuable consideration in the form of the ESS Securities).
- (h) **Limit on Offers** The Company must have reasonable grounds to believe, when making an Offer in reliance of ASIC Class Order 14/1000, that the number of ESS Securities offered under an Offer, when aggregated with the number of ESS Securities issued or that may be issued as a result of offers made in reliance on ASIC Class Order 14/1000 at any time during the previous 3 year period under an employee incentive scheme covered by ASIC Class Order 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Offer.
- (i) **Dividend and voting entitlements:** ESS Securities, other than Shares, are not entitled to dividend or voting rights.
- (j) **Quotation on ASX:** ESS Securities, other than Shares, will not be quoted on ASX. If Shares of the same class as those issued under the ESS are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within the later of 10 Business Days after:
 - (i) the date the Shares are issued; and
 - (ii) the date any restriction period that applies to the Shares ends.
- (k) **Change of control:** If a change of control of the Company occurs, the Plan Committee will determine, in its sole and absolute discretion, the manner in which all unvested and vested ESS Securities will be dealt with.

- (l) **Cessation of employment:** If a participant's employment with the Company ceases, the Plan Committee has the discretion to determine the treatment of that participant's ESS Securities. Accordingly, the participant's unvested ESS Securities may lapse (unless the Plan Committee determines otherwise).
- (m) **Clawback:** In the event of fraud, dishonesty or breach of obligations of another person or a material misstatement in the Company's financial statements during a vesting period (and, in each case, in the opinion of the Plan Committee), the Plan Committee may make a determination, including determining vested ESS Shares are forfeited or 'clawing back' the vested ESS Shares, to ensure that no unfair benefit is obtained.
- (n) **Bonus issues, pro-rata issues and capital reorganisations:** The ESS provides for adjustments to be made to the number of Shares which the participant would be entitled to receive on vesting of ESS Securities in the event of a bonus issue or pro-rata issue to existing holders of Shares or a reorganisation of capital.
- (o) **Rights attaching to Shares:** Shares allocated on the vesting of an ESS Security carry the same rights and entitlements as other issued Shares, including dividend and voting rights. Depending on the terms of issue, the Shares may be subject to disposal and/or forfeiture restrictions, which means that they may not be disposed of or dealt with for a period of time and/or may be forfeited if certain further conditions are not satisfied. Shares allocated to participants under the ESS may be issued by the Company or acquired on or off market by the Company or its nominee. The Company may initially issue Shares to a trustee and later transfer the Shares to the participant.
- (p) **Restriction on dealing:** The ESS Securities (other than Shares) may not be disposed of other than in limited circumstances and under the ESS Plan Rules. Following the vesting and issue of Shares to the relevant Eligible Participant, Shares are subject to the Company's securities trading policy when being traded and any holding lock.

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 **9.30am (AEDT) on Tuesday, 15 November 2022**, 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 CHAIR 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/#/login>

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
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Sydney NSW 2000

BY EMAIL:

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BY FACSIMILE:

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All enquiries to Automic:

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