

20 October 2020



Dear Shareholder

ECS BOTANICS HOLDINGS LTD – UPCOMING ANNUAL GENERAL MEETING

ECS Botanics Holdings Ltd (ASX:ECS) (**ECS** or the **Company**) will be holding an annual general meeting at 10.00am (AEDT) on 19 November 2020 (the **Meeting**).

The Company is closely monitoring the impact of the COVID-19 virus in Western Australia and following guidance from the Federal and State Governments.

In accordance with temporary modifications to the Corporations Act under the Corporations (Coronavirus Economic Response) Determination (No. 1) 2020, the Company is not sending hard copies of the Notice of Meeting to shareholders.

The Notice of Meeting and Explanatory Memorandum can be viewed and downloaded from the following website link: <https://ecsbotanics.com.au/>

Alternatively, a complete copy of the important Meeting documents has been posted on the Company's ASX market announcements page.

If you have nominated an email address and have elected to receive electronic communications from the Company, you will also receive an email to your nominated email address with a link to an electronic copy of the important Meeting documents.

In order to be able to receive communications electronically from the Company in the future, please update your details online at www.investorcentre.com.

Shareholders are encouraged to vote online at www.investorvote.com.au or by lodging the attached proxy form.

If you are unable to access any of the important Meeting documents online please contact the Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)

Authorised for and on behalf of the Board,

A handwritten signature in black ink that reads 'Mauro Piccini'.

**Mauro Piccini,
Company Secretary**



ECS Botanics Holdings Ltd
(ACN 009 805 298)

**NOTICE OF ANNUAL GENERAL MEETING AND
EXPLANATORY MEMORANDUM**

Thursday 19 November 2020

10:00am AEDT

Level 26, 1 Blich Street, Sydney, NSW 2000

The Annual Report is available online at www.ecsbotanics.com.au

This Notice of General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +61 8 6559 1792.

NOTICE OF MEETING

Notice is given that the Annual General Meeting of Shareholders of ECS Botanics Holdings Ltd (**Company**) will be held at Level 26, 1 Bligh Street, Sydney, NSW 2000 on Thursday, 19 November 2020 commencing at 10:00am AEDT.

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 at 5:00pm AEDT on Tuesday, 17 November 2020.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. Resolution 1 – Adoption of Remuneration Report

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report that forms part of the Directors' Report for the financial year ended 30 June 2020 be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum.”

Please note that a vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Director – Michael Nitsche

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

“That, Michael Nitsche, who retires as a director by rotation in accordance with the provisions of the Constitution of the Company, be re-elected as a director of the Company.”

3. Resolution 3 – Approval of 10% Placement Facility

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

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

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 3 (**Resolution**) by or on behalf of:

- (a) if at the time the approval is sought, the Company is proposing to make an issue of equity securities under rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

4. Resolution 4 – Ratification of Shares – July Placement

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 34,285,715 Shares under the Company’s Listing Rule 7.1 capacity on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of resolution 4 (**Resolution**) by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate any 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 the Resolution by:

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

5. Resolution 5 – Ratification of Shares – Issue to Jason Hine

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,250,000 Shares under the Company’s Listing Rule 7.1 capacity to Jason Hine (and/or his nominee), the Company’s Chief Operations Officer, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of resolution 5 (**Resolution**) by or on behalf of:

- (a) Jason Hine (and/or his nominee); or
- (b) any Associate of Jason Hine (and/or his nominee).

However, this does not apply to a vote case in favour of the Resolution by:

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

6. Resolution 6 – Adoption of Employee Share Option Plan

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

*“That, for the purpose of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval is given for the Company to adopt an employee incentive plan titled “Employee Share Option Plan” (**Plan**) and the issue of securities under the Plan on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution 6 (**Resolution**) by or on behalf of:

- (a) any person who is eligible to participate in the Plan; or
- (b) any Associate of any person who is eligible to participate in the Plan.

However, this does not apply to a vote case in favour of the Resolution by:

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

Voting Prohibition

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.

Provided the Chair is not a excluded party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) 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.

Dated 20 October 2020

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Mauro Piccini'. The signature is written in a cursive style with a large initial 'M' and 'P'.

Mauro Piccini
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the Meeting to be held at Level 26, 1 Bligh Street, Sydney, NSW 2000 on Thursday, 19 November 2020 commencing at 10:00am 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 in the Notice.

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

2. Action to be taken by Shareholders

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

2.1 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 participate in the Meeting via virtual means, and are encouraged to lodge a directed 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 via virtual means.

Please note that:

- (a) a member of the Company entitled to attend via virtual means 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.

Shareholders and their proxies should be aware that:

- (a) If proxy holders vote, they must cast all directed proxies as they are directed to; and
- (b) Any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
- (e) the proxy is not recorded as attending the meeting;
- (f) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 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 Resolution 1 as proxy if the vote is not cast behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed by writing that specifies how the proxy is to vote on Resolution; or
- (b) the person is the Chair and the appointment of the Chair as proxy:
- (c) does not specify the way the proxy is to vote on Resolution 1; and
- (d) expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

2.3 Submit your Proxy Vote Online

Vote online at www.investorvote.com.au and simply follow the instructions on the enclosed proxy form.

Or alternatively:

2.4 Submit your Proxy Vote by Paper

If you do not wish to vote online, then it is necessary to complete in accordance with the detailed instructions set out on the enclosed Proxy Form.

The return of your completed form (ONLY if you do NOT vote online) can be done by one of the following ways:

BY MAIL	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
BY FAX	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
BY MOBILE	Scan the QR Code on your proxy form and follow the prompts
CUSTODIAN VOTING	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

3. Annual Report

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report which is available online at www.ecsbotanics.com.au;
- (b) ask questions or make comment on the management of the Company;
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report; and
- (b) the conduct of the audit;
- (c) accounting policies by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act also gives Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report will cease to hold office immediately before that further meeting but may stand for re-election.

At the Company's previous annual general meeting the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, a further resolution relating to the Two Strikes Rule is not relevant for this Annual General Meeting.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. Resolution 2 – Re-election of Director – Michael Nitsche

Clause 6.3 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded down to the nearest whole number), shall retire from office, provided always that no Director (except a managing director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in the office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 6.3 of the Constitution is eligible for re-election.

The Company currently has three non-executive Directors and accordingly one must retire.

Michael Nitsche (**Mr Nitsche**) will retire in accordance with clause 3.1 of the Constitution and being eligible, seeks re-election.

Details of Mr Nitsche's background and experience is set out in the Annual Report.

The Board (excluding Mr Nitsche) recommends that Shareholders vote in favour of Resolution 2. The Chair of the meeting intends to vote undirected proxies in favour of Resolution 2.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements commencing from the date of the Meeting where the Company obtains the approval until the earlier of the following:

- (a) the date that is 12 months after the date of the Meeting at which the approval is obtained;
- (b) the time and date of the Company's next annual general meeting; or
- (c) the time and date of the approval of Shareholders of a transaction under Listing Rule 11.1.2 or 11.2 in respect of the Company,

(10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company currently has a market capitalisation of approx. \$12.4 million and 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 Section 6.2(c) below).

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

(b) Equity Securities

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

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Shares (ASX: ECS).

(c) **Formula for calculating 10% Placement Facility**

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

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

Where:

A is number of shares on issue at the commencement of the relevant period:

- (A) plus the number of fully paid shares issued in relevant period under an exception in Listing Rule 7.2;
- (B) plus the number of fully paid shares issued in relevant period on conversion of convertible securities within Listing Rule 7.2 Exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (2) the issue of, or agreement to issue, the convertible securities approved, or taken to have been approved, under Listing Rule 7.1 or 7.4;
- (C) plus the number of fully paid shares issued in relevant period under an agreement to issue securities within Listing Rule 7.2 Exception 16 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (2) the issue of, or agreement to issue, the convertible securities approved, or taken to have been approved, under Listing Rule 7.1 or 7.4;
- (D) plus the number of partly paid shares that became fully paid in the 12 months;
- (E) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (F) less the number of fully paid shares cancelled in the relevant period.

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

D is 10%.

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 issue or agreement to issue

that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1A and Listing Rule 7.3A**

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 541,876,782 Shares and therefore has a capacity to issue:

- (i) 41,852,945 Equity Securities under Listing Rule 7.1; and
- (ii) 50,759,107 Equity Securities under Listing Rule 7.1A.

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 Section 6.2(c) above).

(e) **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 on which trades in that class were recorded immediately before:

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

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

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

or such longer period if allowed by ASX (**10% Placement Period**).

6.3 Listing Rule 7.1A

The effect of Resolution 3 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 3 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) on the Resolution.

6.4 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 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 on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 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 (in the case of Listed Options, only if the Listed Options are exercised). There is a risk that:
 - (i) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than of 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 current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table 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 or ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2	Shares Issued - 10% Voting Dilution	Dilution		
		\$0.0115 50% decrease in Issue Price	\$0.023 Issue Price	\$0.046 100% increase in Issue Price
		Funds Raised		
Current Variable "A" 541,876,782 Shares	596,064,460 Shares	\$6,854,741	\$13,709,483	\$27,418,965
50% increase in current Variable "A" 812,815,173 Shares	894,096,690 Shares	\$10,282,112	\$20,564,224	\$41,128,448
100% increase in current Variable "A" 1,083,753,564 Shares	1,192,128,920 Shares	\$13,709,483	\$27,418,965	\$54,837,930

Note

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
2. No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
7. The issue price is \$0.023, being the closing price of the Shares on ASX on 8 October 2020.

- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and general working capital.

The Company will comply with the disclosure obligations under the Listing Rules 7.1A(4) upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of the 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.

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 20 November 2019. In the 12 months preceding the date of the 2020 Annual General Meeting, the Company issued a total of nil Equity Securities pursuant to the Previous Approval.
- (f) For the purpose of ASX Listing Rule 14.1A (and in addition to the disclosure in clause 7.4(b) above):
 - (i) if Resolution 3 is passed, the Directors will be able 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; and
 - (ii) if Resolution 3 is not passed, the Directors will not be able issue the Equity Securities under Listing Rule 7.1A, and will have to either rely on its existing 15% placement capacity under Listing Rule 7.1 (from time to time), or (in the event that the Company's 15% placement capacity is exhausted) the Company will be required to obtain prior shareholder approval under Listing Rules 7.1 before being able to issue such Equity Securities (which may result in the Company incurring further time and expense).

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Directors of the Company believe Resolution 3 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

7. Resolution 4 – Ratification of Shares – July Placement

7.1 Background

On 27 July 2020, the Company announced a placement for a total value of \$600,000 (**July Placement**). The July Placement comprised of the placement of up to 34,285,715 Shares at

an issue price of \$0.0175 per share (**July Placement Shares**), to raise up to \$600,000 (before costs) pursuant to Company's pre-existing capacity available under Listing Rule 7.1.

Funds raised from the July Placement were used to commercialise and accelerate its retail and wholesale hemp food business, develop new products, accelerate the medicinal cannabis strategy and provide additional working capital to support the growth of the Company.

7.2 ASX Listing Rules 7.1

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The July Placement Shares do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 4 seeks Shareholder approval to the Initial Shares under and for the purposes of Listing Rule 7.4.

If Resolution 4 is passed, the July Placement Shares will be excluded in calculating the Company's 15% limit in 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 date.

If Resolution 4 is not passed, the July Placement Shares will be included in calculating the Company's 15% limit in 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 date.

7.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rules 7.1):

- (a) the July Placement Shares were issued to investors who qualify under section 708 of the Corporations Act and can receive securities from the Company without the need for such securities to be issued under a disclosure document. None of these subscribers are Related Parties of the Company;

- (b) a total of 34,285,715 Shares were issued under Listing Rule 7.1. The July Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the July Placement Shares were issued on 30 July 2020;
- (d) the issue price was \$0.0175 per Share;
- (e) the purpose of this issue and the intended use of the funds raised is as set out in Section 7.1;
- (f) the issue of the July Placement Shares is not pursuant to an agreement; and
- (g) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue July Placement Shares and their associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 4 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

8. Resolution 5 – Ratification of Shares – Issue to Jason Hine

8.1 Background

Mr Jason Hine was appointed as Chief Operations Officer as part of the Company's successful re-compliance with Chapters 1 and 2 of the Listing Rules on 22 July 2019.

Mr Hines is employed to assist in the achievement of the Company's corporate goals, assist in the preparation and execution of the Company's business plans, implementing and monitoring strategy on current/future initiatives and working with the Managing Director to ensure the Company's ongoing statutory compliance with corporate policies and standards.

On 14 September the Board determined that it would issue Mr Hines (and/or his nominee) \$50,000 worth of Shares, at a deemed issue price of \$0.04 (being a total of 1,250,000 Shares), as a remuneration bonus for services provided to the Company (**COO Shares**). The Company intends to issue the COO Shares on 2 November 2020.

8.2 ASX Listing Rules 7.1

An explanation of Listing Rule 7.1 and 7.4 is provided in Section 7.2 above.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 5 seeks Shareholder approval to the COO Shares under and for the purposes of Listing Rule 7.4.

If Resolution 5 is passed, the COO Shares will be excluded in calculating the Company's 15% limit in 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 date.

If Resolution 5 is not passed, the COO Shares will be included in calculating the Company's 15% limit in 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 date.

8.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rules 7.1):

- (a) the COO Shares will be issued on 2 November 2020 to Mr Jason Hine (and/or his nominee), the Company's Chief Operations Officer;
- (b) a total of 1,250,000 Shares will be issued under Listing Rule 7.1. The COO Shares issued are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the COO Shares will be issued on 2 November 2020;
- (d) the issue price of the COO Shares will be nil as they are being issued as bonus remuneration for services provided by Mr Hines;
- (e) the purpose of this issue is as a bonus remuneration for the services provided by Mr Hines to the Company;
- (f) the issue of the COO Shares are not issued pursuant to an agreement; and
- (g) a voting exclusion statement is set out in the Notice, which precludes Mr Hines and his associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 5 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

9. Resolution 6 – Adoption of Employee Share Option Plan

9.1 General

Resolution 6 seeks Shareholders approval for the adoption of the employee incentive plan titled the ECS Employee Share Option Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 13).

The Company has not in the last 3 years had an operational employee incentive plan. Accordingly, no Securities have previously been issued by the Company under an incentive plan.

The Plan is intended to assist the Company to attract and retain key staff, whether employees or contractors. The Board believes that grants made to eligible participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Plan will:

- (a) enable the Company to incentivise and retain existing key management personnel and other eligible employees and contractors needed to achieve the Company's business objectives;
- (b) enable the Company to recruit, incentivise and retain additional key management personnel, and other eligible employees and contractors, needed to achieve the Company's business objectives;
- (c) link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;

- (d) align the financial interest of participants of the Plan with those of Shareholders; and
- (e) provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

A copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

9.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 13) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive plan are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the plan as an exception to ASX Listing Rule 7.1.

If Resolution 6 is passed, the Company will be able to issue Securities under the Plan 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.

Any future issues of Securities under the Plan to a related party or a person (for example Directors and their Associates) 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.

If Resolution 6 is not passed, the Company will be able to proceed with the issue of Securities under the Plan to eligible participants (other than related parties), but any issues of Securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Securities.

9.3 Specific Information Required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2, Exception 13(b), the following information is provided:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 6;
- (b) the Company has not previously issued any Securities under an employee incentive plan or the proposed Plan;
- (c) the maximum number of Securities proposed to be issued under the Plan within the three year period from the date of the passing of this Resolution 6 is 27,093,839 Securities, representing 5% of the undiluted Shares in the Company as at the date of this Notice. The maximum number is not intended to be a prediction of the actual number of Securities to be issued under the Plan, simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(b));
- (d) a voting exclusion statement in respect of Resolution 6 has been included in the Notice.

The Directors of the Company believe Resolution 6 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

SCHEDULE 1– Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 6.1.

10% Placement Period has the meaning given in Section 6.1.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2020 insert year.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

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

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

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

Company means ECS Botanics Holdings Ltd (ACN 009 805 298).

Constitution means the constitution of the Company as at the commencement of the Meeting.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities contained in the Annual Report.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

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

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

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

Plan means the employee incentive plan titled the ECS Employee Share Option Plan which is summarised in Schedule 2.

Proxy Form means the proxy form attached to the Notice.

Related Party has the meaning set out in the ASX Listing Rule 10.11.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Two Strikes Rule has the meaning in Section 4.

VWAP means volume weight average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

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

SCHEDULE 2– Summary of the ECS Employee Share Option Plan

The key terms of the Plan are as follows:

- (a) **Eligibility:** Participants in the Option Plan may be:
- (i) an Offeree which is an Eligible Person who is any other person determined by the Plan Committee to be an Eligible Person for the purposes of the Plan (**Eligible Person**); or
 - (ii) a Related Entity of an Offeree which means:
 - (A) a company Controlled by the Offeree; or
 - (B) a trust Controlled by the Offeree,where approved by the Plan Committee (**Related Entity**),
who has been issued with Options under the Option Plan (**Participant**).
- (b) **Offer:** The Plan Committee may make a written offer of Securities to such Eligible Persons as the Plan Committee so determines, on the terms and conditions determined by the Plan Committee. The Plan Committee, may in its absolute discretion, agree to allow an Offeree to nominate his/her Related Entity to hold any Securities to be issued to the Offeree under the Plan provided that immediately the entity so nominated ceases to be a Related Entity of the Offeree, the Securities must be transferred to the Offeree or any Related Entity of the Offeree nominated by the Offeree to hold the Securities and approved by the Plan Committee.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares that may be issued, or acquired on exercise of Options offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order 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.
- (d) **Issue price:** Means the price (if any) set out in the Office Notice as the amount payable to the Company by the Participant in consideration of the Company issuing Securities to the Participant under the Plan.
- (e) **Vesting Conditions:** An Option may be made subject to vesting conditions which must be satisfied or met before the Option is able to be exercised as determined by the Plan Committee specified in the Option Notice relating to the Option.
- (f) **Lapse of an Option:** Unless otherwise expressly provided in the Rules, an Option held by a Participant will lapse on the earlier of:
- (i) the expiry of the Vesting Date, where any Vesting Condition applying to the Option has not been met or otherwise satisfied to the reasonable satisfaction of the Plan Committee on or before the Vesting Date applying to the Vesting Condition unless the Option has otherwise vested before the Vesting Date;
 - (ii) the date on which a Default Event occurs in relation to the Participant or the Offeree in relation to the Participant;

- (iii) the date on which the Participant (or the Offeree in relation to the Participant) becomes a Departing Employee, where the Option lapses;
 - (iv) the expiry of the Exercise Period; or
 - (v) the date on which any Vesting Conditions relating to the Option are, in the reasonable opinion of the Plan Committee, no longer capable of being satisfied.
- (g) **Shares:** Shares resulting from the exercise of the Options will rank equally with all existing Shares (including in respect to dividends declared after the issue of the Share) and will be subject to the Applicable Law.
- (h) **Minimum number of Vested Options:** The Plan Committee may from time to time determine a minimum number of Vested Options which may be Exercised by a Participant at any one time. The Plan Committee may specify the minimum number of Vested Options which may be Exercised by the Participant at any one time in the Offer Notice relating to the Participant and will provide the Participant with written notice of any determination (or subsequent determination) the minimum number or any change to the minimum number, within 5 Business Days of the determination or change.
- (i) **No Participation Rights:** Except as otherwise provided in the Rules or required under any Applicable Law, a Participant is not entitled to participate in any new issue of Securities, bonus Share issue, capital reduction or buy back in relation to any Options held by the participant at the relevant date of the issue, capital reduction or buy back.
- (j) **Change in exercise price of number of underlying securities:** Unless specified in the Offer Notice and subject to compliance with the ASX Listing Rules and Corporations Act, an Option does not confer the right to a change in exercise price or in the number of underlying Shares over which the Option can be exercised.
- (k) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction, return or cancellation), the terms will be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.



ECS Botanics Holdings Ltd
ABN 98 009 805 298

ECS

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AEDT) on Tuesday, 17 November 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

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Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

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I/we being a member/s of ECS Botanics Holdings Ltd hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of ECS Botanics Holdings Ltd to be held at Level 26, 1 Bligh Street, Sydney, NSW 2000 on Thursday, 19 November 2020 at 10:00 AM (AEDT) and at any adjournment or postponement of that meeting. **Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1 and 6 (except where I/we have indicated a different voting intention in step 2) even though Items 1 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

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

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Michael Nitsche	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Shares – July Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratification of Shares – Issue to Jason Hine	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Adoption of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

ECS

2 6 9 4 0 7 A



Computershare

