

20 October 2020

Dear Shareholders

### **icetana Limited - Notice of Annual General Meeting**

icetana Limited (ASX: ICE) (**Company**) advises that the Annual General Meeting of the Company (**Meeting**), will be held on Friday, 20 November 2020 at 10:00am (WST) at The Vault Meeting Room, Riff, at Ground Floor, 45 St Georges Terrace, Perth, Western Australia.

In accordance with temporary modifications to the Corporations Act 2001 (Cth) (**Corporations Act**) under the Corporations (Coronavirus Economic Response) Determination (No.3) 2020, the Company will not be sending hard copies of the Notice of Annual General Meeting to shareholders (**Notice**). The Notice can be viewed and downloaded from the Company's website at <https://icetana.com/>.

With regards to the COVID-19 pandemic, the Company will adhere to all social distancing measures prescribed by government authorities at the Meeting, and shareholders attending the Meeting will need to ensure they comply with the protocols. The health of the Company's shareholders, employees and other stakeholders is of paramount importance, so we have therefore put in place certain measures including social distancing requirements and limiting non-shareholder visitors.

While the Board would like to host all shareholders in person, in order to minimise the risk to shareholders and to the Company and its ongoing operations, the Company suggests that shareholders do not attend the Meeting in person. Accordingly, the Directors strongly encourage all shareholders to vote online at [www.automicgroup.com.au](http://www.automicgroup.com.au) or by lodging the proxy form attached to the Notice.

The Board will continue to monitor Australian Government restrictions on public gatherings. If it becomes necessary or appropriate to make alternative arrangements for the Meeting, the Company will notify shareholders accordingly via the Company's website at <https://icetana.com/> and the ASX announcement platform.

The Directors of the Company appreciate the understanding of shareholders under the current circumstances.

For and on behalf of the Board.

Yours faithfully



**Shane Cranswick**

Company Secretary and Chief Financial Officer

icetana Limited | Level 4, 45 St Georges Terrace, Perth WA 6000

PO Box 5668, Perth WA 6831

Phone: +61 8 6282 2811 | [www.icetana.com](http://www.icetana.com)

ABN: 90 140 449 725

Authorised for release by the Board of icetana Limited.



**icetana Limited  
ACN 140 449 725**

## **Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held at  
The Vault Meeting Room, Riff, at Ground Floor, 45 St Georges Terrace, Perth  
WA 6000, Western Australia on Friday, 20 November 2020 at 10am (WST).**

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the  
Company Secretary by telephone on +61 8 6282 2811.**

**Shareholders are urged to vote by lodging the proxy form attached to the Notice**

**icetana Limited**  
**ACN 140 449 725**  
**(Company)**

## **Notice of Annual General Meeting**

Notice is hereby given that the annual general meeting of Shareholders of icetana Limited will be held at The Vault Meeting Room, Riff, at Ground Floor, 45 St Georges Terrace, Perth WA 6000, Western Australia on Friday, 20 November 2020 at 10am (WST) (**Meeting**).

Due to the ongoing COVID-19 pandemic and strict limitations on physical attendance, the Company has taken steps to ensure attendance in person is in adherence to COVID-19 protocols. If the situation in relation to COVID-19 were to change in a way that affects the Company's ability to facilitate an in-person Meeting as currently proposed, the Company will provide a further update ahead of the Meeting by releasing an announcement on the ASX market announcements platform.

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the 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 18 November 2020 at 4.00pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

## **Agenda**

### **1 Annual Report**

To 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.

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

### **2 Resolutions**

#### **Resolution 1 – Remuneration Report**

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

*'That the Remuneration Report be adopted by Shareholders on the terms and conditions in the Explanatory Memorandum'*

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

## **Resolution 2 – Re-election of Director – Geoff Pritchard**

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

*'That Mr Geoff Pritchard, who retires in accordance with Article 7.2 of the Constitution, Listing Rule 14.4 and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 3 – Election of Director – Justin Mannolini**

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

*'That, in accordance with Article 7.6(a) of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Justin Mannolini, a Director who was appointed on 18 December 2019, retires and, being eligible, is elected as a Director on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 4 – Approval to issue Options to Matthew Macfarlane**

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

*'That, pursuant to and in accordance Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 5,642,702 Options to Matthew Macfarlane (or his nominees) under the Plan on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 5 – Approval of 10% Placement Capacity**

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 totalling 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 the terms and conditions in the Explanatory Memorandum.'*

## **Voting exclusions**

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

Resolution 4 by or on behalf of Matthew Macfarlane or his nominees, or any of their respective associates; and

Resolution 5, if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1.A.2, by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any associate of those persons;

The above voting exclusions do not apply to a vote cast in favour of the relevant resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote, 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 prohibitions**

Resolution 1: In accordance with sections 250BD and 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 details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

Resolution 4: 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 a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, 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 the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

**BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'Shane Cranswick', with a large, stylized initial 'S'.

Shane Cranswick  
Company Secretary and Chief Financial Officer  
**icetana Limited**  
Dated: 20 October 2020

**icetana Limited**  
**ACN 140 449 725**  
**(Company)**

## **Explanatory Memorandum**

### **1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at The Vault Meeting Room, Riff, at Ground Floor, 45 St Georges Terrace, Perth WA 6000, Western Australia on Friday, 20 November 2020 at 10am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1– Remuneration Report
Section 5	Resolution 2– Re-election of Director – Geoff Pritchard
Section 6	Resolution 3– Election of Director – Justin Mannolini
Section 7	Resolution 4 – Approval to issue Options to Matthew Macfarlane
Section 8	Resolution 5 – Approval of 10% Placement Capacity
Schedule 1	Definitions
Schedule 2	Summary of Employee Securities Incentive Plan
Schedule 3	Terms and conditions of Incentive Options
Schedule 4	Valuation of Incentive Options

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

### **2. Action to be taken by Shareholders**

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

## 2.1 Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

## 2.2 Proxies

Shareholders are encouraged to vote by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Online:	at <a href="http://www.automicgroup.com.au">www.automicgroup.com.au</a>
By mail:	Automic – GPO Box 5193, Sydney NSW 2001
By fax:	+61 2 8583 3040
By email:	<a href="mailto:meetings@automicgroup.com.au">meetings@automicgroup.com.au</a>
By mobile:	Scan the QR Code on your Proxy Form and follow the prompts

### **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:

- (i) 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);
- (ii) 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;
- (iii) 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
- (iv) 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:

- (i) 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;
- (ii) the appointed proxy is not the chair of the meeting;



- (iii) at the meeting, a poll is duly demanded on the resolution; and
- (iv) either the proxy is not recorded as attending the meeting or 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.

### 2.3 **Chair's voting intentions**

The Chair intends to exercise all available proxies in favour of all Resolutions unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy (or the Chair is appointed by default) and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

### 2.4 **Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [shane@icetana.com.au](mailto:shane@icetana.com.au) by 18 November 2020 at 4pm (WST).

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. The Shareholder will be requested to identify themselves prior to submitting questions. In order to submit a question during the Meeting, please follow the instructions from the Chair.

Shareholders are limited to a maximum of two questions each per Resolution. The Chair will attempt to respond to the questions during the Meeting.

## 3. **Annual Report**

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2020.

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

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at <https://icetana.com/> or on the ASX platform for "ICE" at [www.asx.com.au](http://www.asx.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (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 content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted 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 five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

#### 4. **Resolution 1– Remuneration Report**

In accordance with subsection 250R(2) of the Corporations Act, the Company must 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 the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).

Where a resolution on the Remuneration Report receives a Strike 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, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

This is the Company's first annual general meeting since been admitted to the official list of the ASX on 23 December 2019. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2021 annual general meeting, this may result in the re-election of the Board.

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

Resolution 1 is an ordinary resolution.

Given the material personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding this Resolution.

## 5. **Resolution 2– Re-election of Director – Geoff Pritchard**

### 5.1 **General**

Article 7.2 of the Constitution and Listing Rule 14.4 both provide that a Director (excluding the Managing Director) must not hold office without re-election past the third annual general meeting following that Director's appointment or three years, whichever is longer.

Article 7.5 of the Constitution provides that a Director who retires in accordance with Article 7.2 is eligible for re-election.

Executive Director Geoff Pritchard was appointed as a Director on 19 April 2017. Accordingly, Mr Pritchard retires at this Meeting and, being eligible, seeks re-election pursuant to Resolution 2.

The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4<sup>th</sup> Edition) provide that a factor relevant to assessing the independence of a director include, amongst where the director is, or has been, employed in an executive capacity by the Company and there has not been a period of at least three years between ceasing such employment and serving on the board.

Mr Pritchard held an Executive Director role with the Company from April 2017 to May 2020, when he transitioned to the role of Non-Executive Director. Mr Pritchard is not considered to be an independent Director as a result of his previous position as an Executive Director.

### 5.2 **Geoff Pritchard**

Mr Pritchard is an experienced Chairman, Executive Director and Chief Executive actively engaged across Governance, Strategy Consulting, Corporate Advisory, Venture Capital and Private Equity to the Superannuation, Family Office, Financial Services and Technology sectors.

He co-founded and is Chairman of Go Capital Pty Ltd, a Private Equity and Venture Capital business with a focus on the technology sector and a significant investor in icetana Limited.

Mr Pritchard was previously CEO of the Western Pacific Financial Group and led the business into its ASX exit in 2007.

Mr Pritchard has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### 5.3 **Additional information**

Resolution 2 is an ordinary resolution.

The Board considers that Mr Pritchard's extensive experience in capital markets and enterprise sales brings valuable skills to Board that complement the Board's existing skills and experience.

The Board (with Mr Pritchard abstaining) recommends that Shareholders vote in favour of Resolution 2.

## **6. Resolution 3– Election of Director – Justin Mannolini**

### **6.1 General**

Article 7.6(a) of the Constitution allows the Board to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 7.6(b) of the Constitution, any Director so appointed must retire at the next annual general meeting of the Company and is then eligible for election by Shareholders under Article 7.6.

In addition, Listing Rule 14.4 provides that a Director appointed as an addition to the Board must not hold office (without re-election) past the next annual general meeting.

On 18 December 2019, Justin Mannolini was appointed as a Non-Executive Director of the Company.

Accordingly, Mr Mannolini resigns as a Director at the Meeting and, being eligible, seeks approval to be elected as a Director pursuant to Resolution 3.

The Board considers Mr Mannolini to be an independent Director.

### **6.2 Justin Mannolini**

Mr Mannolini is a partner in the Corporate Advisory Group of Australian law firm Gilbert + Tobin. He is currently serving in a non-executive capacity on a number of listed, private and Government Boards. He has over 20 years' corporate finance experience as a lawyer and investment banker, and has advised on a wide range of M&A, reconstruction and equity capital markets transactions across a number of industry sectors including energy & resources, financial services, technology, engineering & mining services, food & beverage and real estate.

He is currently also a director of Northern Australia Infrastructure Facility (appointed May 2016) and a Non-Executive Chairman of Jindalee Resources Limited (ASX: JRL) (appointed a director in September 2013).

Mr Mannolini has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### **6.3 Additional information**

Resolution 3 is an ordinary resolution.

The Board considers that Mr Mannolini's extensive experience in capital markets and corporate law brings valuable skills to Board that complement the Board's existing skills and experience.

The Board (with Mr Mannolini abstaining) recommends that Shareholders vote in favour of Resolution 3.

## 7. Resolution 4 – Approval to issue Options to Matthew Macfarlane

### 7.1 General

The Company announced on 17 April 2020 that it proposes, subject to obtaining Shareholder approval, to issue up to 5,642,702 Options (**Incentive Options**) to Matthew Macfarlane or his nominees.

The Incentive Options are to be issued under the Company's Plan, the terms of which are summarised in Schedule 2.

The Board believes the issue of Incentive Options under the Company's Plan provides a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the Plan will:

- (a) enable the Company to incentivise and retain (via full three-year time-based 12-month-cliff then quarterly vesting) key personnel, including Mr Macfarlane, that have agreed to a significant reduction in cash remuneration to ensure the Company's cash position remains strong;
- (b) further align the financial interest of participants in the Plan with those of Shareholders; and
- (c) provide incentives to participants in the Plan to focus on achievement of the Company's strategic objectives that create Shareholder value.

Subject to the terms and conditions in Schedule 3, the Incentive Options will vest  $\frac{1}{3}$  in 12 months and quarterly thereafter over a total three year period commencing 1 May 2020, as follows:

Vesting Date	Number of Incentive Options
1 May 2021	1,880,901
1 August 2021	470,225
1 November 2021	470,225
1 February 2022	470,225
1 May 2022	470,225
1 August 2022	470,225
1 November 2022	470,225
1 February 2023	470,225
1 May 2023	470,226
<b>TOTAL</b>	<b>5,642,702</b>

If employment is ceased during the vesting period, any unvested options held are forfeited and will lapse.

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 10.14 of the Corporations Act for the issue of up to a total of 5,642,702 Incentive Options under the Plan to Mr Macfarlane (or his nominees).

## 7.2 **Listing Rule 10.14**

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director the company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3).

The proposed issue of the Incentive Options falls within the category stipulated under Listing Rule 10.14.1 and therefore the issue of Incentive Options to Mr Macfarlane (or his nominee) under the Plan requires the approval of Shareholders under Listing Rule 10.14.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Incentive Options to Mr Macfarlane (or his nominee) and he will be remunerated accordingly based on the achievement of the vesting conditions set out in the Plan.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Incentive Options to Mr Macfarlane and the Company may need to consider other forms of performance-based remuneration, including the payment of cash.

## 7.3 **Specific information required by Listing Rule 10.15**

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Incentive Options:

- (a) The Incentive Options will be issued under the Plan to Mr Macfarlane (or his nominees), a Director of the Company.
- (b) Mr Macfarlane is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1 for that reason. In the event the Incentive Options are issued to a nominee of a Mr Macfarlane, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) The maximum number of Incentive Options to be issued to Mr Macfarlane (or his nominees) is 5,642,702.
- (d) The current total remuneration package for Mr Matthew Macfarlane as at the date of this Notice is \$168,192.00 (inclusive of superannuation). In addition, the Company may issue Mr Macfarlane a revenue bonus (recurring annually) of up to an additional

40% of salary subject to achievement of revenue targets to be agreed with the board annually.

As announced on 17 April 2020, Mr Macfarlane and other senior executives of the Company agreed to a 20% reduction in salary effective 1 May 2020. This reduction is still effective as at the date of this Notice.

- (e) Mr Macfarlane was issued 2,344,348 Options and 1,050,000 Performance Rights under the terms of the Plan as part of the Company's initial public offering in December 2019. No acquisition price was paid for those securities.
- (f) The Incentive Options will be exercisable at \$0.25 each on or before 31 March 2024 and will otherwise be issued on the terms and conditions in Schedule 2 and Schedule 3.
- (g) The Board considers that Incentive Options rather than Shares, are an appropriate form of incentive for the reasons outlined in Section 7.1 above.
- (h) A valuation of the Incentive Options is in Schedule 4. In summary, the value of the Incentive Options to be issued is \$524,771, which vests and will be expensed over a three year period.
- (i) The Incentive Options will have an issue price of nil as they will be issued as part of Mr Macfarlane's remuneration package.
- (j) No loan will be provided to Mr Macfarlane in relation to the issue of the Incentive Options.
- (k) The Incentive Options will be issued no later than 3 years after the date of the Meeting.
- (l) A summary of the material terms of the Plan is in Schedule 2.
- (m) Details of any Securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 4 is approved and who were not named in the Notice will not participate until approval is obtained under that rule.
- (n) A voting exclusion statement is included in the Notice.

#### 7.4 **Additional information**

Resolution 4 is an ordinary resolution.

The Board (with Mr Macfarlane abstaining) recommend that Shareholders vote in favour of Resolution 4.

## 8. **Resolution 5 – Approval of 10% Placement Capacity**

### 8.1 **General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed entity 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.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

An 'eligible entity' means an entity which is not named in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 5 seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% Placement Facility provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 5 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in the Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 8.2(c) below).

### 8.2 **Listing Rule 7.1A**

#### (a) **Is the Company an eligible entity?**

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

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$21.9 million, based on the closing price of Shares (\$0.16) on 19 October 2020.

If on the date of the Meeting, the Company's market capitalisation exceeds \$300 million or it has been included in the S&P/ASX 300 Index, this Resolution 5 will no longer be effective and will be withdrawn.

#### (b) **What Equity Securities can be issued?**

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 eligible entity.

As at the date of the Notice, the Company has on issue one quoted class of Equity Securities; Shares.



(c) **How many Equity Securities can be issued?**

Listing Rule 7.1A.2 provides that under the approved 10% Placement Facility, the Company may issue or agree to issue a number of Equity Securities calculated in accordance with the following formula:

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

Where:

**A** is the number of Shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid Shares issued in the 12 months:

(1) under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);

(2) on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the 12 month period; or
- the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or 7.4;

(3) under an agreement to issue securities within Rule 7.2 exception 16 where:

- the agreement was entered into before the 12 month period; or
- the agreement or issue was approved, or taken under the Listing Rules to be approved, under Listing Rule 7.1 or 7.4; and

(4) with Shareholder approval under Listing Rule 7.1 or 7.4. This does not include any issue of Shares under the Company's 15% annual placement capacity without Shareholder approval;

(B) plus the number of partly paid shares that became fully paid in the 12 months; and

(C) less the number of fully paid Shares cancelled in the 12 months.

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

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to

issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) **What is the interaction with Listing Rule 7.1?**

The Company's ability to issue Equity Securities under Listing Rule 7.1A will be in addition to its 15% annual placement capacity under Listing Rule 7.1.

(e) **At what price can the Equity Securities be issued?**

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

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

**(Minimum Issue Price).**

(f) **When can Equity Securities be issued?**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A will be valid from the date of Meeting and will expire on the earlier to occur of:

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

**(10% Placement Period).**

(g) **What is the effect of Resolution 5?**

The effect of Resolution 5 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

### 8.3 **Specific information required by Listing Rule 7.3A**

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

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 8.2(f) above).

Shareholder approval of the 10% Placement Facility will cease to be valid if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 8.2(e) above).

(c) **Purposes of issues under 10% Placement Facility**

The Company may seek to issue Equity Securities under the 10% Placement Facility for cash consideration in order to raise funds for continued investment in the Company's current assets, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

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

If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The below table shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 8.2(c)) as at the date of the Notice (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	<b>\$0.08</b> <b>50% decrease in Current Market Price</b>	<b>\$0.16</b> <b>Current Market Price</b>	<b>\$0.32</b> <b>100% increase in Current Market Price</b>
<b>137,040,093 Shares Variable A</b>	10% Voting Dilution	13,704,009 Shares	13,704,009 Shares	13,704,009 Shares
	Funds raised	\$1,096,321	\$2,192,641	\$4,385,283
<b>205,560,140 Shares 50% increase in Variable A</b>	10% Voting Dilution	20,556,014 Shares	20,556,014 Shares	20,556,014 Shares
	Funds raised	\$1,644,481	\$3,288,962	\$6,577,924
<b>274,080,186 Shares 100% increase in Variable A</b>	10% Voting Dilution	27,408,019 Shares	27,408,019 Shares	27,408,019 Shares
	Funds raised	\$2,192,642	\$4,385,283	\$8,770,566

Notes:

1. The table has been prepared on the following assumptions:
  - (a) the issue price is the current market price (\$0.16), being the closing price of the Shares on ASX on 19 October 2020, being the last day that the Company's Shares traded on the ASX before this Notice was printed;
  - (b) Variable A is comprising of the 137,040,093 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
  - (c) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
  - (d) no convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities; and
  - (e) the issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Quoted Options, it is assumed that those Quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (ie Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
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 as 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 that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

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

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) 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 the Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(f) **Issues in the past 12 months**

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A and has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A in the 12 month period preceding the date of the Meeting.

(g) **Voting exclusion statement**

At the date of the Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice and the date of the Meeting, the Company proposes to make an issue of Equity Securities under Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in the Notice.

#### 8.4 **Additional information**

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 5.

## Schedule 1 Definitions

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

<b>\$ or A\$</b>	means Australian Dollars.
<b>10% Placement Facility</b>	has the meaning given in Section 8.1.
<b>10% Placement Period</b>	has the meaning given in Section 8.2(f).
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2020.
<b>Article</b>	means an article of the Constitution
<b>ASX</b>	means the ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Auditor's Report</b>	means the auditor's report on the Financial Report.
<b>Board</b>	means the board of Directors.
<b>Business Day</b>	means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
<b>Chair or Chairman</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Closely Related Party</b>	means: (a) a spouse or child of the member; or (b) has the meaning given in section 9 of the Corporations Act
<b>Company</b>	means icetana Limited ACN 140 449 725.
<b>Constitution</b>	means the constitution of the Company as at the date of the Meeting.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>Director's Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

<b>Incentive Option</b>	means up to 5,642,702 Options to be issued to Matthew Macfarlane on the terms and conditions in Schedule 3.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>Minimum Issue Price</b>	has the meaning given in Section 8.2(e).
<b>Notice</b>	means this notice of annual general meeting.
<b>Options</b>	means an option to acquire a Share
<b>Plan</b>	means the Employee Securities Incentive Plan titled 'icetana Limited Employee Securities Incentive Plan'.
<b>Proxy Form</b>	means the proxy form attached to the Notice.
<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors' Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares).
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Strike</b>	means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.
<b>Trading Day</b>	has the meaning given in the Listing Rules.
<b>VWAP</b>	means volume weighted average market price.
<b>WST</b>	means Western Standard Time, being the time in Perth, Western Australia.

## Schedule 2 Summary of Employee Securities Incentive Plan

1. **(Eligible Participant):** 'Eligible Participant' means a person that:
  - (a) is an 'eligible participant' (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an 'Associated Body Corporate' (as that term is defined in ASIC Class Order 14/1000); and
  - (b) has been determined by the Board to be eligible to participate in the Plan from time to time.

Directors are 'Eligible Participants'. Any issue of Securities to Directors under the Plan will be subject to the receipt of prior Shareholder approval.

2. **(Purpose):** The purpose of the Plan is to:
  - (a) assist in the reward, retention and motivation of Eligible Participants;
  - (b) link the reward of Eligible Participants to Shareholder value creation; and
  - (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
4. **(Eligibility, invitation and application):**
  - (a) The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.
  - (b) On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.
  - (c) If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding



the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 Trading Days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any

applicable vesting conditions have not been met or cannot be met by the relevant date; and

- (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security (Plan Shares), will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
13. **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
  - (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

16. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
17. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

## Schedule 3 Terms and conditions of Incentive Options

1. **(Entitlement)**: Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.
2. **(Plan)**: The Options will be issued under the Company's employee securities incentive plan (**Plan**) for nil cash consideration. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.
3. **(Exercise Price and Expiry Date)**: The Options have an exercise price of \$0.25 per Option (**Exercise Price**) and will expire on the earlier to occur of:
  - (a) 5:00pm (WST) on 31 March 2024; and
  - (b) the Options lapsing and being forfeited under the Plan or these terms and conditions.
4. **(Expiry Date)**. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Vesting Conditions)**: Subject to these terms and conditions, one third of the Options granted will vest on the date that is 12 months after the acceptance date of the Options (**Year 1**), subject to the relevant participant in the Plan remaining employed or otherwise engaged by the Company at all times during Year 1. The balance of Options issued (two thirds) will vest on a quarterly basis over the two year period after the end of Year 1, subject to the relevant participant in the Plan remaining employed or otherwise engaged by the Company at all times during the relevant quarter.
6. **(Exercise Period)**: Each vested Option is exercisable at any time and from time to time on or prior to the Expiry Date.
7. **(Quotation of the Options)**: The Options will be unquoted.
8. **(Transferability of the Options)**: The Options are not transferable unless they have vested and only with the prior written approval of the Company and subject to compliance with the Corporations Act, Listing Rules and the Plan.
9. **(Notice of Exercise)**: The Options may be exercised by notice in writing to the Company in multiples of 10,000 Options per notice in the manner specified on the Option certificate or as otherwise agreed with the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company (acting reasonably). Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.
10. **(Lodgement instructions)**: Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Share Registry.
11. **(Shares issued on exercise)**: Shares issued on exercise of the Options rank equally with the then Shares of the Company.

12. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.
13. **(Timing of issue of Shares):** Within 5 business days after the receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised, the Company will:
  - (a) issue the Shares pursuant to the exercise of the Options;
  - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
  - (c) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
14. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
15. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
16. **(Adjustment for entitlements issue):** If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph 15 will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.
17. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.
18. **(Leaver):** You will become a "Leaver" when you cease employment, engagement or office with the Company or any of its subsidiaries. Where you become a Leaver, all unvested Options will automatically be forfeited by you, unless the Board otherwise determines in its discretion to permit some or all of the Options to vest.
19. **(Change in control):** If a Change of Control Event (as that term is defined in the Plan) occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Options will be dealt with, including, without limitation, in a manner that allows the holder of the Options to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

## Schedule 4 Valuation of Incentive Options

The Incentive Options to be issued to Mr Macfarlane pursuant to Resolution 4 have been valued according to the Black & Scholes valuation model on the following assumptions:

<b>Number of Incentive Options</b>	<b>5,642,702</b>
Assumed Share price at grant date	\$0.15
Exercise price	\$0.25
Market value on ASX of underlying Shares at time of setting exercise price	\$0.17
Exercise price premium to market value	\$0.08
Expiry	31 March 2024
Expected volatility	100%
Risk free interest rate	0.41%
Annualised dividend yield	0%
Value of each Incentive Option	\$0.093
Aggregate value of Incentive Option	\$524,771 (vesting over 3 years)

Notes:

The valuation takes into account the following matters:

1. The Incentive Options will vest  $\frac{1}{3}$  in 12 months and quarterly thereafter over a total three year period commencing 1 May 2020.
2. Incentive Options with non-market based vesting conditions can only be exercised following the satisfaction of the Vesting Condition, a change of control or winding up occurring, or a takeover bid becoming unconditional;
3. The Directors have assessed the likelihood of the Vesting Condition for the Incentive Options being achieved as 100%;
4. The valuation of Incentive Options assumes that the exercise of a right does not affect the value of the underlying asset.
5. Given that the Incentive Options are to be issued for no cash consideration, the value of the Performance Rights is reflected in the underlying Share price at the valuation date. The Share price used is based on the closing price on 1 May 2020, being \$0.155.
6. No consideration is to be paid upon exercising the Incentive Options.

If you are attending the meeting  
in person, please bring this with you  
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Wednesday, 18 November 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE 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  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

#### All enquiries to Automic:

**WEBCHAT:** <https://automicgroup.com.au/>

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

