

27 October 2021

Dear Shareholder

Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting of Shareholders of New Zealand Coastal Seafoods Limited (ACN 124 251 396) (**Company**) will be held at **12pm (AWST) on Thursday, 25 November 2021** both physically at the Victory Offices Perth, Level 17/2 The Esplanade, Perth WA 6000, and also by Virtual Meeting Facility (refer to details below) (**Meeting**).

Pursuant to the Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will not be dispatching physical copies of the Notice of Meeting (**Notice**). Instead, a copy of the Notice is available at <https://nzcs.co/asx-feed/>.

If you have elected to receive notices by email, a copy of your personalised proxy form will be emailed to you. If you have not elected to receive notices by email, a copy of your personalised proxy form will be posted to you, together with this letter for your convenience.

All shareholders will be able to participate in the Meeting by:

- (a) attending the meeting either in person at the address noted above, or via the Virtual Meeting Facility, and voting their Shares at the Meeting on Thursday, 25 November 2021 at 12pm (AWST);
- (b) voting prior to the Meeting by lodging your proxy instructions by no later than 48 hours prior to the Meeting (by 12:00pm (AWST) on 23 November 2021) either by:
 - **voting online at** <https://investor.automic.com.au/#/loginsah>; or
 - **lodging a proxy form**, as follows:
 - **by post to:** Automic, GPO Box 5193, Sydney, NSW, 2001; or
 - **in person to:** Automic, Level 5, 126 Phillip Street, Sydney, NSW, 2000; or
 - **by email to:** meetings@automicgroup.com.au; or
 - by any other means permitted on the proxy form;
- (c) lodging questions in advance of the Meeting by emailing the questions to Erlyn Dale, Company Secretary and Non-Executive Director at erlyn@azc.com.au, by no later than 22 November 2021.

Virtual Meeting Facility

If you are a shareholder and wish to attend the Meeting via Virtual Meeting Facility, please follow the below step-by-step process to be able to access, vote and ask questions at the Meeting:

1. Open your internet browser and go to investor.automic.com.au.
2. Login with your username and password or click **“register”** if you haven’t already created an account. **Shareholders are encouraged to create an account prior to the start of the Meeting to ensure there is no delay in attending the virtual Meeting.**
3. After logging in, a banner will be displayed at the top once the Meeting is open for registration, click on **“View”** when this appears.
4. Click on **“Register”** and follow the steps.

New Zealand Coastal Seafoods Limited

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5. Click on the URL to join the Virtual Meeting Facility where you can join and listen to the Meeting.
6. Once the Chair of the Meeting has declared the poll open for voting click on “**Refresh**” to be taken to the voting screen.
7. Select your voting direction and click “**confirm**” to submit your vote. **Note that you cannot amend your vote after it has been submitted.**

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice, please contact the Company’s share registry, Automic Registry Services on, 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

This announcement is authorised for market release by Erlyn Dale, Director.

Yours sincerely



Erlyn Dale

Non-Executive Director and Company Secretary

NEW ZEALAND COASTAL SEAFOODS LIMITED
ACN 124 251 396
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 12:00pm WST

DATE: Thursday, 25 November 2021

PLACE: Hybrid Meeting: At the Victory Offices Perth, Level 17/2 The Esplanade,
Perth WA 6000 and by Virtual Meeting Facility

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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 Shareholders at 4:00pm on 23 November 2021.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."

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

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – EVAN HAYES

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

"That, for the purpose of clause 12.16 of the Constitution, Listing Rule 14.4 and for all other purposes, Evan Hayes, a Director who was appointed as an additional Director on 25 January 2021, retires, and being eligible, is elected as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – NATHAN MAXWELL-MCGINN

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

"That, for the purpose of clause 12.16 of the Constitution, Listing Rule 14.4 and for all other purposes, Nathan Maxwell-McGinn, a Director who was appointed as an additional Director on 5 February 2021, retires, and being eligible, is elected as a Director."

5. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – CATALDO MICCIO

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

"That, for the purpose of clause 12.11 of the Constitution, and for all other purposes, Cataldo Miccio, a Director, retires by rotation, and being eligible, is re-elected as a Director."

6. RESOLUTION 5 – APPROVAL OF 7.1A MANDATE

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal 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 otherwise on the terms and conditions set out in the Explanatory Statement.”

7. RESOLUTION 6 – ISSUE OF OPTIONS TO RELATED PARTY – EVAN HAYES

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,500,000 NZSOPT7 Options and 3,000,000 NZSOPT2 Options to Evan Hayes (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

8. RESOLUTION 7 – ISSUE OF OPTIONS TO RELATED PARTY – NATHAN MAXWELL-MCGINN

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 2,500,000 NZSOPT7 Options and 3,000,000 NZSOPT2 Options to Nathan Maxwell-McGinn (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS – LISTING RULE 7.1

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

10. RESOLUTION 9 – SPILL RESOLUTION

If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 9.

Please note that if Shareholder's vote in favour of Resolution 9 as set out above, the Company will be required to action points (a), (b) and (c) as shown below.

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

"That, for the purposes of section 250V(1) of the Corporations Act and for all other purposes, approval is given for:

- (a) the Company to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**); and
- (b) all Vacating Directors to cease to hold office immediately before the end of the Spill Meeting; and
- (c) resolutions to appoint persons to offices that will be vacated pursuant to (b) to be put to vote at the Spill Meeting."

A voting prohibition statement applies to this Resolution. Please see below.

Dated: 20 October 2021

By order of the Board



Eryn Dale
Director and Company Secretary

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter 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: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and <p>expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</p>
Resolution 6 – Issue of Options to Related Party	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> (a) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (iii) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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.
Resolution 7 – Issue of Options to Related Party	<ul style="list-style-type: none"> (a) A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (b) the proxy is either: <ul style="list-style-type: none"> (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (iii) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none"> (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.
Resolution 9 – Spill Resolution	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member.

	<p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter 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: <ul style="list-style-type: none"> (i) does not specify the way the proxy is to vote on this Resolution; and (c) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 6 – Issue of Options to Related Party	Evan Hayes (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 7 – Issue of Options to Related Party	Nathan Maxwell-McGinn (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 8 – Ratification of prior issue of Performance Rights	A person who participated in the issue or is a counterparty to the agreement being approved (namely Andrew Peti) or an associate of that person or those persons.

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 the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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.

HYBRID MEETING FORMAT

Please note the Company is providing the option for Shareholders to participate in the meeting in person or via virtual meeting facility, please refer to the information provided below for further information on participation in this meeting.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

VOTING IN PERSON

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

VOTING ONLINE VIA VIRTUAL MEETING

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

To access the virtual meeting:

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

You may still attend the meeting and vote at the Virtual Meeting even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance at the Virtual Meeting will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment will be deemed to be revoked with respect to voting on that resolution.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9389 3170.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://nzcs.co/investors/>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were more than 25%. Accordingly, the Spill Resolution will be relevant for this Annual General Meeting if at least 25% of the votes cast on the Remuneration Report Resolution are voted against adoption of the Remuneration Report. Refer to Resolution 9 and Section 3 for further information.

3. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS

3.1 General

The Constitution allows the Directors 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 the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Each of the following Directors, having been appointed by other Directors on the dates specified below in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders:

- (a) Evan Hayes having been appointed as an additional Director by other Directors on 25 January 2021; and
- (b) Nathan Maxwell-McGinn having been appointed as an additional Director by other Directors on 5 February 2021.

3.2 Qualifications and other material directorships

(a) Evan Hayes

Mr Hayes is a highly accomplished Executive and Non-Executive Director with broad strategic experience across a portfolio of board positions, and substantial experience in the health industry including senior product development and operations roles with Factors, Blackmores and BioCeuticals.

Mr Hayes is currently Asia Pacific Managing Director of Factors Group, Canada's largest natural health company and a Director of MGC Pharma, an ASX listed biotech & cannabis company. He holds qualifications in biotechnology, biochemistry, six sigma, auditing and business management, and over 10 years' non-executive director experience across public, private and ASX organisations.

As a highly respected scientist, specialising in medicines, both natural and biotech, Mr Hayes has the unique capability of leveraging deep technical skills to develop real commercial outcomes. Mr Hayes is particularly specialised in the management, set up and scaling of start-up organisations, where there is a fast-moving environment balancing a

need for strategy, scale, business development, overseas expansion, risk and compliance.

Mr Hayes holds over 20 years' experience in leading organisations in Australia and overseas, and has worked in Europe, the USA and in Australia. He has a practical understanding of both the FDA and the TGA with a detailed knowledge of strategic, financial, human resource and compliance issues. He also holds senior executive experience in the natural medicine sector, as well as extensive consulting experience across portfolios including procurement, product development and health economics for leading Australian organisations through his consulting organisations, Relae and FIT Milestones.

Mr Hayes is passionate about natural products, experimental and clinical research, has initiated and published research in diverse areas such as immunoassay development, probiotic functionality, and Vitamin D insufficiency and is an author of multiple patents including one world patent.

(b) **Nathan Maxwell-McGinn**

Mr Maxwell-McGinn is a co-founder, shareholder and marketing manager of JSJ Seafood Pty Ltd ("JSJ Seafood"), a company which exports over \$50 million annually of Australian and International seafood to Asia, under the "Three Capes" brand. JSJ Seafood was formed in 2016 and is currently the largest exporter of rock lobster from Tasmania, with an established trading and marketing division "Three Capes", which utilises an extensive customer network to market, promote and drive sales for selected clients globally.

JSJ Seafood has experienced continued high growth since launching in 2016, demonstrating Mr Maxwell-McGinn's ability to achieve financial growth and strategic milestones, driven by his significant marketing experience and international contacts within the seafood sector.

Mr Maxwell-McGinn holds significant experience in international trade, marketing, business and brand development, and has assisted companies in Europe, South America and Africa develop new markets in Asia.

Former roles include Business Development Manager of Kailis Bros / Legend Group Holdings, with Mr Maxwell-McGinn joining the company after the takeover of Kailis Bros by Legend Group Holdings (Hong Kong). Under this role, he managed the export team and developed key relationships with partners globally, launched the Kailis Brother export brand in Asia, and established retail presence in HK.

Mr Maxwell-McGinn is the chair of the Seafood Trade Advisory Group, a group that has developed key Government relationships in Canberra to provide advice on Free Trade Agreements and Trade and Market access issues.

Mr Maxwell-McGinn also holds an MBA, has completed executive education at Harvard University and until recently, has been an active board member for the Fremantle Chamber of Commerce advocating for Export businesses in Western Australia.

3.3 Independence

Mr Hayes and Mr Maxwell-McGinn have no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board:

- (a) considers Mr Hayes will be an independent Director; and
- (b) considers Mr Maxwell-McGinn will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Mr Hayes and Mr Maxwell-McGinn.

Mr Hayes and Mr Maxwell-McGinn have confirmed that they consider they will have sufficient time to fulfil their responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with their availability to perform their duties as a Non-Executive Director of the Company.

3.5 Board recommendation

The Board has reviewed Mr Hayes and Mr Maxwell-McGinn's performance since their appointment to the Board and considers that each Director's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Hayes and Mr Maxwell-McGinn and recommends that Shareholders vote in favour of Resolution 2 and 3.

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR – CATALDO MICCIO

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Cataldo Miccio, who has served as a Director since his appointment on 25 July 2019, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

Mr Miccio

Prior to co-founding New Zealand Coastal Seafoods, Mr Miccio was the mayor of Nelson, New Zealand, and prior to that served as a Councillor of Nelson, beginning in 2007. In 2010, Mr Miccio successfully sold Bissi Ltd, an apparel company he had started in 1998. He is also former Managing Director of KELA and is the current chairman of Medical Kiwi Ltd.

The Board has reviewed Mr Miccio's performance since his appointment to the Board and considers that Mr Thompson's skills and experience will continue to

enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Thompson and recommends that Shareholders vote in favour of Resolution 4.

5. RESOLUTION 5 – APPROVAL OF 7.1A MANDATE

5.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$9,097,000 (based on the number of Shares on issue and the closing price of Shares on the ASX on 14 October 2021).

Resolution 5 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity 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 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 under 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.

5.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 5:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that 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 entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the following purposes:

- (i) advancing the Company's existing operations, including sales and marketing buildout, accelerating product development, expanding production capacity and capitalising on further opportunities;
- (ii) the acquisition of new businesses, assets and investments (including expenses associated with such an acquisition); and
- (iii) general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 14 October 2021.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.006	\$0.011	\$0.017
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	827,005,031 Shares	82,700,503 Shares	\$454,852	\$909,705	\$1,364,558
50% increase	1,240,507,547 Shares	124,050,754 Shares	\$682,279	\$1,364,558	\$2,046,837
100% increase	1,654,010,062 Shares	165,401,006 Shares	\$909,705	\$1,819,411	\$2,729,116

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

- There are currently 827,005,031 Shares on issue comprising:
 - 827,005,031 existing Shares as at the date of this Notice of Meeting;
 - No Shares which will be issued pursuant to the Resolutions passed at this Meeting; and
 - No Shares will be issued pursuant to other purposes.
- The issue price set out above is the closing market price of the Shares on the ASX on 14 October 2021 being \$0.011.
- The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
- The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. 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.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
- This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 30 November 2020 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 30 November 2020, the Company has not issued any Equity Securities pursuant to the Previous Approval.

6. RESOLUTION 6 AND 7 – ISSUE OF OPTIONS TO RELATED PARTIES

6.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 5,500,000 Options to Evan Hayes (or his nominee) and 5,500,000 Options to Nathan Maxwell-McGinn (or his nominee) (**Options**) on the terms and conditions set out below. The allocation of the Options to be issued will be as follows:

	NZSOPT1 ¹ (\$0.035, expiring 15 months from the date of grant)	NZSOPT2 ² (\$0.06, expiring 5 February 2023)
Evan Hayes (Resolution 6)	2,500,000	3,000,000

Nathan Maxwell-McGinn (Resolution 7)	2,500,000	3,000,000
Total	5,000,000	6,000,000

Notes:

1. The NZSOPT7 Options will form a new class of Options.
2. The NZSOPT2 Options will be in the same class as all other existing Options under the class ASX Code: NZSAS.

Resolution 6 and 7 seeks Shareholder approval for the issue of the Options to Evan Hayes and Nathan Maxwell-McGinn (or their nominee).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Options to Evan Hayes and Nathan Maxwell-McGinn (or their nominee) constitutes giving a financial benefit and both Evan Hayes and Nathan Maxwell-McGinn are a related party of the Company by virtue of being Directors.

The Directors (other than Evan Hayes and Nathan Maxwell-McGinn who both have a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Options because the agreement to issue the Options, reached as part of the remuneration package for Evan Hayes and Nathan Maxwell-McGinn, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

6.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 6 and 7 seeks the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 6 and 7 are passed, the Company will be able to proceed with the issue of the Options to Evan Hayes and Nathan Maxwell-McGinn within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 6 and 7 are not passed, the Company will not be able to proceed with the issue of the Options.

6.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 6 and 7:

- (a) the Options will be issued to Evan Hayes and Nathan Maxwell-McGinn (or their nominee), who both fall within the category set out in Listing Rule 10.11.1 as both Evan Hayes and Nathan Maxwell-McGinn are related parties of the Company by virtue of being Directors;
- (b) the maximum number of Options to be issued is 5,500,000 Options to Evan Hayes and 5,500,000 Options to Nathan Maxwell-McGinn in accordance with the allocations set out at Section 6.1;
- (c) the terms and conditions of the Options are set out in Schedule 1;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for Evan Hayes and Nathan Maxwell-McGinn to motivate and reward their performance as a Director and to provide cost effective remuneration to Evan Hayes and Nathan Maxwell-McGinn, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative

cash forms of remuneration were given to Evan Hayes and Nathan Maxwell-McGinn;

- (g) the current total remuneration package:
 - (i) for Evan Hayes is \$42,000 in directors' fees (inclusive of superannuation but exclusive of GST if applicable). If the Options are issued the total remuneration package of Evan Hayes will increase by \$6,400 to \$48,400, being the value of the Options (based on the Black Scholes methodology).
 - (ii) for Nathan Maxwell-McGinn is \$42,000 in directors' fees (inclusive of superannuation but exclusive of GST if applicable). If the Options are issued the total remuneration package of Nathan Maxwell-McGinn will increase by \$6,400 to \$48,400, being the value of the Options (based on the Black Scholes methodology).
- (h) The terms of the proposal to issue the Related Party Options are set out above. The Related Party Options are proposed to be issued (conditional upon Shareholder approval, as is being sought under this Notice) under the terms of the Company's agreements with Mr Hayes and Mr Maxwell-McGinn respectively, by which they were appointed as Directors. Those agreements contain terms for reimbursement by the Company to those Directors of their reasonable costs and expenses, responsibility for the Company to pay for coverage of those Directors under the Company's directors' and officers' insurance and other standard provisions of non-executive director appointment agreements.

7. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS – LISTING RULE 7.1

7.1 General

On 30 July 2021, the Company issued 2,000,000 Performance Rights to Mr Andrew Peti for nil cash consideration, as an incentive-based component to his remuneration package (**Performance Rights**).

As summarised in Section 5.1 above, 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 12 month period.

Under Listing Rule 7.1A, 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%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2020.

The issue of the Performance Rights does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by 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 date of issue of the Performance Rights.

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 in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Performance Rights.

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Performance Rights.

7.2 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Performance Rights will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Performance Rights.

If Resolution 8 is not passed, the Performance Rights will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Performance Rights.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 5 being passed at this Meeting.

7.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) the Performance Rights were issued to CEO, Mr Andrew Peti;
- (b) 2,000,000 Performance rights were issued and the Performance Rights were issued on the terms and conditions set out in Schedule 2;
- (c) the Performance Rights were issued on 30 July 2021;
- (d) the issue price of the Performance Rights was nil. The Company has not and will not receive any other consideration for the issue of the Performance Rights;
- (e) the purpose of the issue of the Performance Rights is to provide a performance linked incentive component in the remuneration package for Mr Andrew Peti to motivate and reward his performance as CEO and to provide cost effective remuneration to Mr Andrew Peti, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Andrew Peti; and
- (f) the Performance Rights were not issued under an agreement.

8. RESOLUTION 9 – SPILL RESOLUTION

If less than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, the Chair will withdraw Resolution 2.

Please note that if Shareholder's vote in favour of Resolution 9 as set out above, the Company will be required to action points (a), (b) and (c) as shown below.

8.1 General

The Corporations Act requirements for this Resolution to be put to vote are set out in Section 2.2.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**) and the Vacating Directors will cease to hold office immediately before the end of the Spill Meeting. The business of the Spill Meeting will be to put to vote resolutions to appoint persons to offices vacated by the Vacating Directors.

In the event a Spill Meeting is required a separate notice of meeting will be distributed to Shareholders with details about those persons that will seek election as directors of the Company at the Spill Meeting.

8.2 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the voting restrictions applying to Resolution 1 apply in the same manner to this Resolution.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 5.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day 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.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means New Zealand Costal Seafoods Limited (ACN 124 251 396).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel 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.

Listing Rules means the Listing Rules of ASX.

Managing Director means the managing director of the Company who may, in accordance with the Listing Rules, continue to hold office indefinitely without being re-elected to the office.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a Performance Right issued by the Company that converts to one Share upon vesting of various performance conditions.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2021.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Vacating Directors means the Directors who were directors of the Company when the resolution to make the directors' report considered at the last annual general meeting of the Company was passed, other than the Managing Director at that time.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be dependent on the class of the Option. Each class of Option has the following exercise price:

(i) NZSOPT7 Option exercisable at \$0.035; and

(ii) NZSOPT2 Option exercisable at \$0.06,

(collectively, the **Exercise Price**).

(c) **Expiry Date**

The expiry date for each Option will be dependent on the class of the Option. Each class of Option has the following expiry date:

(i) Each NZSOPT7 Option will expire at 5:00 pm (WST) on the date which is 15 months from the date of issue of the NZSOPT7 Option; and

(ii) Each NZSOPT2 Option will expire at 5:00 pm (WST) on 5 February 2023,

(collectively, the **Expiry Date**).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**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.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within three Business Days for NZSOPT2 Options and within five Business Days for NZSOPT7 Options after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **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 without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the Class C Performance Rights is set out below:

- a) **(Milestones)** The Class C Performance Rights will vest upon the publishing of the audited accounts for the Financial Year 2022 of NZCS Operations Limited (and all its subsidiaries) showing a net profit before tax of at least \$1.
- b) **(Vesting Deadline)** If the relevant Milestone attached to Class C Performance Rights has not been achieved by 31 December 2022, then the Class C Performance Rights will automatically lapse.
- c) **(Notification to holder)** The Company shall notify the holder in writing when the relevant Milestone has been satisfied.
- d) **(Conversion)** Subject to paragraph (o), upon vesting, each Performance Right will, at the election of the holder (such election to be in writing and provided to the Company Secretary), convert into one Share.
- e) **(Expiry Date)** subject to the continued engagement of the executive to whom the offer of Performance Rights was made remaining employed by the Company or its subsidiaries, each Performance Right shall otherwise expire on 30 June 2024. Should the executive to whom the offer of Performance Rights was made cease to be employed by the Company or its subsidiaries, in the absence of a resolution of the Board confirming that the Performance Rights shall not lapse at that time, the Performance Rights shall lapse 30 days from the date upon which the executive to whom the offer of Performance Rights was made ceasing to be employed by the Company or its subsidiaries **(Expiry Date)**. If the relevant Milestone attached to the Performance Rights has been achieved by the Expiry Date, all unconverted Performance Rights of the relevant class will automatically lapse at that time. The holder may elect to cancel the Performance Rights at any time (such election to be in writing and provided to the Company Secretary).
- f) **(Consideration)** The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.
- g) **(Share ranking)** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- h) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- i) **(Timing of issue of Shares on Conversion)** Within 5 Business Days after date that the Performance Rights are converted, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (j)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- j) **(Transfer of Performance Rights)** The Performance Rights are not transferrable other than by force of law upon death, to the relevant holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.
- k) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.
- l) **(Reorganisation of capital)** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- m) **(Dividend and voting rights)** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- n) **(Change in control)** Subject to paragraph (o), upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies, the Performance Rights will automatically vest.
- o) **(Deferral of conversion if resulting in a prohibited acquisition of Shares)** If the conversion of a Performance Right under paragraph (d) or (n) would result in any person being in contravention of section 606(1) of the Corporations Act 2001 (Cth) **(General Prohibition)** then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (iv) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a

Performance Right will not result in any person being in contravention of the General Prohibition; and

- (v) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (o)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- p) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- q) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- r) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- s) **(Tax)** Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, will apply (subject to the conditions in that Act), to the Performance Rights.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **12:00pm (WST) on Tuesday, 23 November 2021**, 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

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

PHONE:

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

