



**BUDDY TECHNOLOGIES LIMITED**  
**ACN 121 184 316**

## **NOTICE OF ANNUAL GENERAL MEETING**

**For the Annual General Meeting of the Company to be held virtually on  
Friday, 28 January 2022 at 10:00am (ACDT)**

*Buddy Technologies Limited (the **Company**) advises Shareholders that, in light of the COVID-19 pandemic and the potential for ongoing restrictions on public gatherings in South Australia, the Company has made arrangements for the Meeting to be held virtually via an online meeting platform hosted by the Company's share registry at: <https://meetings.linkgroup.com/BUDAGM21>. The Company advises that it will not be holding a physical meeting.*

*As it will not be possible for Shareholders to physically attend the Meeting, the Company encourages all Shareholders to vote in advance of the Meeting. Proxy forms for the Meeting should be lodged before 10:00am (ACDT) on Wednesday, 26 January 2022.*

*If you are a Shareholder and you wish to participate in the Meeting virtually, you can do so via the online meeting platform, where shareholders will be able to watch, listen, ask questions and vote in real time online. Details on how to participate in the Meeting are provided in the Notice. Please contact the Company by emailing [cosec@buddy.com](mailto:cosec@buddy.com), if you have any queries.*

*Shareholders can also submit, and are encouraged to submit, any questions in advance of the Meeting by emailing the questions to [cosec@buddy.com](mailto:cosec@buddy.com) by no later than 5:00pm (ACDT) on Thursday, 27 January 2022.*

*If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and/or on the Company's website at [www.buddy.com](http://www.buddy.com).*

*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.*

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary at [cosec@buddy.com](mailto:cosec@buddy.com).*

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## IMPORTANT INFORMATION

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### BUDDY TECHNOLOGIES LIMITED

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#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Buddy Technologies Limited (**Company**) will be held virtually on Friday, 28 January 2022 at 10:00am (ACDT) (**Meeting**).

The Company advises that a poll will be conducted for each of the Resolutions.

The Explanatory Statement provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form comprise part of this Notice. We recommend Shareholders read the Explanatory Statement in relation to the proposed Resolutions.

The Directors have determined pursuant to regulations 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 Wednesday, 26 January 2022 at 10:00am (ACDT).

Any Shareholder entitled to attend and vote at the Meeting is also entitled to appoint one or more proxies to attend and vote instead of the Shareholder. To be effective, a validly executed Proxy Form must be received by the Company not less than 48 hours prior to commencement of the Meeting in accordance with the instructions detailed in the Explanatory Statement.

Terms and abbreviations used in this Notice and the Explanatory Statement will, unless the context requires otherwise, have the meaning given to them in the Glossary.

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## BUSINESS OF THE MEETING

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### AGENDA

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### FINANCIAL STATEMENTS AND REPORTS

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To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2021, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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#### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Statement.”*

##### **Voting Exclusion**

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of:

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

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

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel.

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#### 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR RICHARD BORENSTEIN

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

*“That, pursuant to and in accordance with Listing Rule 14.4, Article 7.3(c) of the Constitution and for all other purposes, Mr Richard Borenstein, Director, retires and being eligible, is re-elected as a Director on the terms and conditions in the Explanatory Statement.”*

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#### 3. RESOLUTION 3 – ELECTION OF DIRECTOR – MR JAMES NELSON

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

*“That, pursuant to and in accordance with Listing Rule 14.4, Article 7.3(j) of the Constitution and for all other purposes, Mr James Nelson, who was appointed as a casual vacancy, retires and being eligible is elected as a Director on the terms and conditions in the Explanatory Statement.”*

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**4. RESOLUTION 4 – ELECTION OF DIRECTOR – MR PAUL RUSSELL**

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

*“That, pursuant to and in accordance with Listing Rule 14.4, Article 7.3(j) of the Constitution and for all other purposes, Mr Paul Russell, who was appointed as a casual vacancy, retires and being eligible is elected as a Director on the terms and conditions in the Explanatory Statement.”*

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**5. RESOLUTION 5 – ELECTION OF DIRECTOR – MR STEPHEN GATES**

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

*“That, pursuant to and in accordance with Listing Rule 14.4, Article 7.3(j) of the Constitution and for all other purposes, Mr Stephen Gates, who was appointed as a casual vacancy, retires and being eligible is elected as a Director on the terms and conditions in the Explanatory Statement.”*

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**6. RESOLUTION 6 – APPROVAL OF INCENTIVE PLAN**

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

*“That, pursuant to and in accordance with Listing Rule 7.2, exception 13 and for all other purposes, Shareholders approve the Plan and the future grant of Shares, Performance Rights and Options and the issue of the underlying Shares of such Performance Rights and Options on the terms and conditions in the Explanatory Statement.”*

**Voting Exclusion**

The Company will disregard any votes cast in favour of the Resolution by or on behalf a person who is eligible to participate in the Plan or an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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**7. RESOLUTION 7 – APPROVAL OF ISSUE OF SHARES TO MRS MANDAR NELSON UNDER THE INCENTIVE PLAN**

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

*“That, subject to Shareholders passing Resolution 6, pursuant to and in accordance with Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 396,875 Shares to Mrs Mandar Nelson (and/or her nominee(s)) under the Plan on the terms and conditions in the Explanatory Statement.”*

**Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mrs Mandar Nelson and Directors Messrs Richard Borenstein, David McLauchlan, Stephen Gates, Paul Russell and James Nelson) who is eligible to participate in the Plan or an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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**8. RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO MR RICHARD BORENSTEIN UNDER THE INCENTIVE PLAN**

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

*“That, subject to Shareholders passing Resolution 6, pursuant to and in accordance with Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 23,333,334 Shares to Mr Richard Borenstein (and/or his nominee(s)) under the Plan on the terms and conditions in the Explanatory Statement.”*

**Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mrs Mandar Nelson and Directors Messrs Richard Borenstein, David McLauchlan, Stephen Gates, Paul Russell and James Nelson) who is eligible to participate in the Plan or an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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**9. RESOLUTION 9 – APPROVAL OF ISSUE OF SHARES TO MR DAVID MCLAUCHLAN UNDER THE INCENTIVE PLAN**

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

*“That, subject to Shareholders passing Resolution 6, pursuant to and in accordance with Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 33,781,144 Shares to Mr David McLauchlan (and/or his nominee(s)) under the Plan on the terms and conditions in the Explanatory Statement.”*

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mrs Mandar Nelson and Directors Messrs Richard Borenstein, David McLauchlan, Stephen Gates, Paul Russell and James Nelson) who is eligible to participate in the Plan or an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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#### **10. RESOLUTION 10 – APPROVAL OF ISSUE OF SHARES TO MR STEPHEN GATES UNDER THE INCENTIVE PLAN**

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

*“That, subject to Shareholders passing Resolution 6, pursuant to and in accordance with Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 11,388,889 Shares to Mr Stephen Gates (and/or his nominee(s)) under the Plan on the terms and conditions in the Explanatory Statement.”*



### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mrs Mandar Nelson and Directors Messrs Richard Borenstein, David McLauchlan, Stephen Gates, Paul Russell and James Nelson) who is eligible to participate in the Plan or an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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## 11. RESOLUTION 11 – APPROVAL OF ISSUE OF SHARES TO MR PAUL RUSSELL UNDER THE INCENTIVE PLAN

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

*“That, subject to Shareholders passing Resolution 6, pursuant to and in accordance with Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 12,944,444 Shares to Mr Paul Russell (and/or his nominee(s)) under the Plan on the terms and conditions in the Explanatory Statement.”*

### Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mrs Mandar Nelson and Directors Messrs Richard Borenstein, David McLauchlan, Stephen Gates, Paul Russell and James Nelson) who is eligible to participate in the Plan or an associate of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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## 12. RESOLUTION 12 – APPROVAL OF ISSUE OF SHARES TO MR JAMES NELSON UNDER THE INCENTIVE PLAN

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

*“That, subject to Shareholders passing Resolution 6, pursuant to and in accordance with Section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 12,944,444 Shares to Mr James Nelson (and/or his nominee(s)) under the Plan on the terms and conditions in the Explanatory Statement.”*

### **Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 (including Mrs Mandar Nelson and Directors Messrs Richard Borenstein, David McLauchlan, Stephen Gates, Paul Russell and James Nelson) who is eligible to participate in the Plan or an associate of that person or those persons.

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

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

- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

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

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### 13. RESOLUTION 13 – APPROVAL OF 10% PLACEMENT FACILITY

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

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

#### **Voting Exclusion**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person (and/or their nominee(s)) who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any associates of that person or those persons.

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Note: As at the date of this Notice, it is not known who may participate in any Equity Securities issued under Resolution 13 and the Company has not approached any Shareholder or identified a class of existing Shareholders to participate in any issue of Equity Securities under the 10% Placement Facility. Accordingly, no Shareholders are excluded from voting on Resolution 13.*

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**14. RESOLUTION 14 – APPROVAL OF BUY-BACK OF PERFORMANCE SHARES**

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

*"That, pursuant to and in accordance with section 257D of the Corporations Act and for all other purposes, Shareholders approve the buy-back by the Company of 31,833,333 Performance Shares on the terms and conditions in the Explanatory Statement."*

**Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) the Performance Share Holders; or
- (b) an associate of the Performance Share Holders.

The Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**15. RESOLUTION 15 – SECTION 195 APPROVAL**

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

*"That, pursuant to and in accordance with subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions contemplated in Resolutions 7 to 12 (inclusive)."*

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**Dated: 29 December 2021**

**BY ORDER OF THE BOARD**



**Ms Vicky Allinson**  
**Company Secretary**

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## EXPLANATORY STATEMENT

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### 1. INTRODUCTION

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held virtually on Friday, 28 January 2022 at 10:00am (ACDT).

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

A Proxy Form is located at the end of this Explanatory Statement.

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### 2. ACTION TO BE TAKEN BY SHAREHOLDERS

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

#### 2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person. Subject to the Australian government's restrictions on public gatherings, all Shareholders are invited and encouraged to participate in the Meeting (see details below) or, if they are unable to attend, sign and return the Proxy Form to the Company in accordance with the instructions on the Proxy Form.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10:00am (ACDT) on Wednesday, 26 January 2022, being at least 48 hours before the Meeting.

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

#### 2.2 Voting Prohibition by Proxy holders (Remuneration Report)

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

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

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

A vote on Resolution 1 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on Resolution 1; or
- (b) the person is the chair and the appointment of the chair as proxy does not specify the way the proxy is to vote on Resolution 1, but expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected with the remuneration of a member of the Key Management Personnel.

### **2.3 Voting Prohibition by Proxy holders (Remuneration of Key Management Personnel)**

A vote on Resolutions 6 to 12 (inclusive) must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, 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 Resolutions 6 to 12 (inclusive), and:

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

### **2.4 Participation at the Meeting**

Due to the uncertainty of the current COVID-19 situation and the potential for ongoing restrictions on public gatherings in South Australia, in accordance with recent amendments to the Corporations Act under the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*, the Meeting will be held as a virtual meeting. Shareholders will not be able to attend the Meeting at a physical location.

If you are a Shareholder and you wish to participate in the Meeting virtually, you can do so via the virtual Meeting platform at <https://meetings.linkgroup.com/BUDAGM21>.

The Company advises that a poll will be conducted for each of the Resolutions.

### **2.5 How to Vote**

Shareholders may lodge a proxy vote before the Meeting through the share registry's Investor Centre at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) or obtaining a voting card on the virtual meeting platform at

<https://meetings.linkgroup.com/BUDAGM21> from 9.30am (ACDT) on the Meeting day once registered.

## **2.6 Lodging a vote before the Meeting**

You may lodge a proxy vote prior to the Meeting by:

- (a) logging in to your portfolio or holding(s) at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) and quote your SRN or HIN and postcode for your shareholding (or country, if you are located outside Australia); or
- (b) using the personalised link(s) provided to you via email (if you received the Notice by email) to vote online.

To be considered valid, voting instructions must be received by Link Market Services by 5.00pm (ACDT) on 26 January 2022.

## **2.7 Using the online meeting platform during the Meeting**

We recommend logging in to the online meeting platform at least 15 minutes prior to the scheduled start time for the meeting using the instructions below:

- (a) enter <https://meetings.linkgroup.com/BUDAGM21> into a web browser on your computer or online device;
- (b) shareholders will need their SRN or HIN to obtain a voting card or lodge a question; and
- (c) proxyholders will need their proxy code which Link Market Services will provide via email no later than 24 hours prior to the Meeting.

Online registration for the Meeting will open 30 minutes before the start of the Meeting. Voting on the online meeting platform will be open between the commencement of registration for the Meeting on 28 January 2022 and the time at which the Chair announces voting closure. A five minute countdown will be displayed before voting closes.

Please refer to the Virtual Meeting Online Guide at the back of the Notice and on the Company's website at [www.buddy.com](http://www.buddy.com) for further details in respect to using the online meeting platform.

## **2.8 Questions from Shareholders**

Shareholders will have the opportunity to ask questions online via the online meeting platform provided by the Link Market Services at <https://meetings.linkgroup.com/BUDAGM21> in real time during the Meeting. You are encouraged to submit your questions as soon as registration commences.

Shareholders can also submit any questions in advance of the Meeting by emailing the questions to [cosec@buddy.com](mailto:cosec@buddy.com) by no later than 5.00pm (ACDT) on Thursday, 27 January 2022.

Shareholders can also ask questions via dedicated phone line. If you wish to ask a question via the dedicated phone line, you will need to register with the Company Secretary by email at [cosec@buddy.com](mailto:cosec@buddy.com) at least 48 hours before the Meeting.

If the above arrangements with respect to the Meeting change, Shareholders will be updated via the ASX Market Announcements Platform and on the Company's website at [www.buddy.com](http://www.buddy.com).

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### 3. FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317(1) of the Corporations Act, the Annual Report for the financial year ended 30 June 2021 must be laid before the Meeting. 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 [www.buddy.com](http://www.buddy.com);
- (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 Auditor about:

- (a) the preparation and contents 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 5 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.

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### 4. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 4.1 General

In accordance with section 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:

- (a) the Company's remuneration policy; and
- (b) the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

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

Pursuant to the Corporations Act, Shareholders will have the opportunity to remove the whole Board except the Managing Director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive AGMs.

If a resolution on the Remuneration Report receives a Strike at two consecutive AGMs, the Company will be required to put to Shareholders at the second AGM, a resolution on whether another meeting



should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2020 annual general meeting. Please note, if the Remuneration Report receives a Strike at this Meeting and if a second Strike is received at the 2022 annual general meeting, this may result in the re-election of the Board.

The Chair will allow reasonable opportunity for Shareholders to ask questions about or comment on the Remuneration Report.

Resolution 1 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 1.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, 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 though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## **5. RESOLUTIONS 2 – RE-ELECTION OF DIRECTOR – MR RICHARD BORENSTEIN**

### **5.1 General**

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

Article 7.3(c) of the Constitution requires that if the Company has three or more Directors, one third of the Directors (excluding Directors required to retire under Article 7.3(j) and rounded down to the nearest whole number) must retire at each AGM.

Pursuant to Resolution 2 Mr Richard Borenstein retires by rotation and seek re-election as a Director.

If Resolution 2 is passed, Mr Borenstein will be able to continue to act as a Director.

If Resolution 2 is not passed, Mr Borenstein will cease to act as a Director.

Details of the qualifications and experience of Mr Borenstein are in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 2.

### **5.2 Directors' Recommendation**

The Directors (excluding Mr Borenstein) support the re-election of Mr Borenstein and recommend that Shareholders vote in favour of Resolution 2.

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## **6. RESOLUTION 3 – ELECTION OF DIRECTOR – MR JAMES NELSON**

### **6.1 General**

Listing Rule 14.4 states that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 7.2(b) of the Constitution allows the Directors to appoint a person as an addition to the Board at any time, providing that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr James Nelson was appointed as an addition to the Board on 7 June 2021. Resolution 3 provides that he retires from office and seeks re-election as a Director.

Details of the qualifications and experience of Mr Nelson are in the Annual Report.

Resolution 3 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 3.

## **6.2 Directors' Recommendation**

The Board (excluding Mr Nelson) supports the election of Mr Nelson and recommends that shareholders vote in favour of Resolution 3.

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## **7. RESOLUTION 4 – ELECTION OF DIRECTOR – MR PAUL RUSSELL**

### **7.1 General**

Listing Rule 14.4 states that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 7.2(b) of the Constitution allows the Directors to appoint a person as an addition to the Board at any time, providing that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr Paul Russell was appointed as an addition to the Board on 7 June 2021. Resolution 4 provides that he retires from office and seeks re-election as a Director.

Details of the qualifications and experience of Mr Russell are in the Annual Report.

Resolution 4 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 4.

### **7.2 Directors' Recommendation**

The Board (excluding Mr Russell) supports the election of Mr Russell and recommends that shareholders vote in favour of Resolution 4.

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## **8. RESOLUTION 5 – ELECTION OF DIRECTOR – MR STEPHEN GATES**

### **8.1 General**

Listing Rule 14.4 states that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Article 7.2(b) of the Constitution allows the Directors to appoint a person as an addition to the Board at any time, providing that the total number of Directors does not at any time exceed the maximum number specified by the Constitution. Any Director so appointed holds office until the next general meeting of members of the Company and is eligible for re-election at that meeting.

Mr Stephen Gates was appointed as an addition to the Board on 19 August 2021. Resolution 5 provides that he retires from office and seeks re-election as a Director.

Details of the qualifications and experience of Mr Gates are in the Annual Report.

Resolution 5 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 5.

## **8.2 Directors' Recommendation**

The Board (excluding Mr Gates) supports the election of Mr Gates and recommends that shareholders vote in favour of Resolution 5.

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## **9. RESOLUTION 6 – APPROVAL OF INCENTIVE PLAN**

### **9.1 General**

Resolution 6 seeks Shareholder approval, pursuant to Listing Rule 7.2, Exception 13, to approve the Company's Incentive Plan (**Plan**) and to enable the future issue by the Company of Shares, Performance Rights, Options and Shares upon exercise or conversion of those Performance Rights and Options to be issued under the Plan to eligible Directors, employees and contractors (**Incentives**) to be exempted from Listing Rule 7.1 for a period of three years from the date on which Resolution 6 is passed.

A summary of the Plan, to be adopted pursuant to Resolution 6, is detailed in Schedule 1.

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

- (a) enable the Company to incentivise and retain existing key management personnel and other eligible employees and contractors needed to achieve the Company's business objectives;
- (b) enable the Company to recruit, incentivise and retain additional key management personnel, and other eligible employees and contractors, needed to achieve the Company's business objectives;
- (c) link the reward of key staff with the achievement of strategic goals and the long term performance of the Company;
- (d) align the financial interest of participants of the Plan with those of Shareholders; and
- (e) provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

If Resolution 6 is passed, the Company will be able to issue Incentives in the future to eligible Directors, employees and contractors under the Plan without using up any of the Company's 15% limit on issuing Equity Securities without Shareholder approval under Listing Rule 7.1 for a period of three years from

the date on which Resolution 6 is passed.

If Resolution 6 is not passed, the Company may still issue Incentives in the future to eligible Directors, employees and contractors under the Plan but any issue will reduce, to that extent, the Company's capacity to issue Equity Securities under Listing Rule 7.1 for 12 months following the issue.

Resolution 6 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 6.

## **9.2 Listing Rule 7.1 and Listing Rule 7.2, Exception 13**

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to convert to equity (such as an Option or Performance Right), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2, Exception 13 provides an exception to Listing Rule 7.1. The effect of Shareholder approval under Listing Rule 7.2, Exception 13 is that any issues of securities under the Plan are treated as having been made with the approval of shareholders for the purposes of Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13 lasts for a period of three years.

## **9.3 Specific information required by Listing Rule 7.2**

In accordance with Listing Rule 7.2 exception 13, information is provided as follows:

- (a) The material terms of the Plan are summarised in Schedule 1.
- (b) Since the Plan was last approved under Listing Rule 7.2, exception 13 on 25 March 2019, 222,783,579 Equity Securities have been issued under the Plan.
- (c) The maximum number of Incentives proposed to be issued under the Plan following Shareholder approval is 517,041,731 Equity Securities.
- (d) A voting exclusion statement is included in the Notice for Resolution 6.

## **9.4 Directors' Recommendation**

As the Directors are excluded from voting on this Resolution pursuant to the Listing Rules, the Directors decline to make a recommendation to Shareholders on this Resolution.

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# **10. RESOLUTIONS 7 TO 12 – APPROVAL OF ISSUE OF SHARES TO RELATED PARTIES UNDER THE INCENTIVE PLAN**

## **10.1 General**

Resolutions 7 to 12 (inclusive) seek Shareholder approval pursuant to Listing Rule 10.14 and section 208 of the Corporations Act for the issue of up to an aggregate of 94,789,131 Shares (**Related Party Shares**) to related parties of the Company, including a spouse of a Director and the Directors (**Related Parties**) (and/or their respective nominee(s)) pursuant to the Plan (to be re-approved under Resolution 6) as follows:

| Resolution | Related Party | Maximum Number of Related Party Shares |
|------------|---------------|--|
|            |               |  |

|               |                                      |            |
|---------------|--------------------------------------|------------|
| Resolution 7  | Mandar Nelson – Spouse of a Director | 396,875    |
| Resolution 8  | Richard Borenstein – Director        | 23,333,334 |
| Resolution 9  | David McLauchlan – Director          | 33,781,144 |
| Resolution 10 | Stephen Gates – Director             | 11,388,889 |
| Resolution 11 | Paul Russell – Director              | 12,944,444 |
| Resolution 12 | James Nelson – Director              | 12,944,444 |

The proposed issue of the Related Party Shares to the Directors is to provide non-cash remuneration in lieu of director's fees to be provided up to and including December 2024 on a monthly basis from January 2022 (or annually from January 2023 to January 2025 for Mr McLauchlan). The issue of the Related Party Shares to Messrs Russell and Nelson is also to incentivise their continued performance in connection with their executive roles for the Company.

As at the date of the Notice, Mrs Mandar Nelson, Director Mr James Nelson's wife, is an employee of the Company. The proposed issue of 870,000 Shares to Mrs Nelson under the Plan is part of her ordinary employment compensation.

In accordance with Listing Rule 10.14, Shareholder approval is required for the issue of Equity Securities to a Director or any associate of a Director under an employee incentive scheme. Mrs Nelson is an associate of Mr Nelson as she is Mr Nelson's spouse and a related party of Mr Nelson, therefore Shareholder approval is required for the issue of the 870,000 Shares to Mrs Nelson.

Resolutions 7 to 12 (inclusive) are ordinary resolutions.

The Chair intends to exercise all available proxies in favour of Resolutions 7 to 12 (inclusive).

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolutions 7 to 12 (inclusive), 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 though Resolutions 7 to 12 (inclusive) are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

## 10.2 Section 208 of the Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

Mrs Nelson is an associate of a Director and is therefore a related party of the Company. Messrs Borenstein, McLauchlan, Gates, Russell and Nelson are Directors and are therefore related parties of the Company. The issue of the Related Party Shares to each of Mrs Nelson, Messrs Borenstein, McLauchlan, Gates, Russell and Nelson (and/or their respective nominees) constitutes the giving of a financial benefit to related parties of the Company and the Company has elected to seek Shareholder approval for the issue of the Related Party Shares pursuant to Chapter 2E of the Corporations Act.

### 10.3 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:

- (a) a director of the entity;
- (b) an associate of a director of the entity; 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,

unless it obtains the approval of its shareholders.

The proposed issue of Related Party Shares requires approval by shareholders under Listing Rule 10.14 as the Related Parties are all either a Director or an associate of a Director of the Company.

If Resolution 7 is passed, the Company will be able to proceed with the proposed issue of the Related Party Shares to Mrs Nelson. If Resolution 7 is not passed, the Company will not be able to proceed with the proposed issue of the Related Party Shares and may need to consider other methods (such as cash payments) to compensate Mrs Nelson.

If Resolution 8 is passed, the Company will be able to proceed with the proposed issue of the Related Party Shares to Mr Borenstein. If Resolution 8 is not passed, the Company will not be able to proceed with the proposed issue of the Related Party Shares and may need to consider other methods (such as cash payments) to remunerate and incentivise Mr Borenstein.

If Resolution 9 is passed, the Company will be able to proceed with the proposed issue of the Related Party Shares to Mr McLauchlan. If Resolution 9 is not passed, the Company will not be able to proceed with the proposed issue of the Related Party Shares and may need to consider other methods (such as cash payments) to remunerate and incentivise Mr McLauchlan.

If Resolution 10 is passed, the Company will be able to proceed with the proposed issue of the Related Party Shares to Mr Gates. If Resolution 10 is not passed, the Company will not be able to proceed with the proposed issue of the Related Party Shares and may need to consider other methods (such as cash payments) to remunerate and incentivise Mr Gates.

If Resolution 11 is passed, the Company will be able to proceed with the proposed issue of the Related Party Shares to Mr Russell. If Resolution 11 is not passed, the Company will not be able to proceed with the proposed issue of the Related Party Shares and may need to consider other methods (such as cash payments) to remunerate and incentivise Mr Russell.

If Resolution 12 is passed, the Company will be able to proceed with the proposed issue of the Related Party Shares to the Mr Nelson. If Resolution 12 is not passed, the Company will not be able to proceed with the proposed issue of the Related Party Shares and may need to consider other methods (such as cash payments) to remunerate and incentivise Mr Nelson.

Pursuant to Listing Rule 7.2 exception 14, as Shareholder approval is being sought under Listing Rule 10.14, Shareholder approval under Listing Rule 7.1 is not required for the issue of the Related Party Shares.

### 10.4 Specific information required by Listing Rule 10.15 and section 219 of the Corporations Act

In accordance with Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided:

- (a) Mrs Nelson and Messrs Borenstein, McLauchlan, Gates, Russell and Nelson (and/or their nominee(s)) are the proposed recipients of the Related Party Shares;
- (b) Mrs Nelson is an associate of a Director and is therefore a related party of the Company and falls under Listing Rule 10.14.2. Messrs Borenstein, McLauchlan, Gates, Russell and Nelson are all Directors of the Company and therefore related parties of the Company and fall under Listing Rule 10.14.1;
- (c) the maximum number of Related Party Shares to be issued to each Related Party (subject to continued employment with the Company) and the indicative value of these Shares (based on the Company's closing share price of A\$0.012 on 9 December 2021) is as follows:

| Related Party      | Number of Related Party Shares | Value      |
|--------------------|--------------------------------|------------|
| Mandar Nelson      | 396,875                        | A\$4,762   |
| Richard Borenstein | 23,333,334                     | A\$280,000 |
| David McLauchlan   | 33,781,144                     | A\$405,373 |
| Stephen Gates      | 11,388,889                     | A\$136,666 |
| Paul Russell       | 12,944,444                     | A\$155,333 |
| James Nelson       | 12,944,444                     | A\$155,333 |

- (d) the proposed issue of the Related Party Shares to the Directors is to provide non-cash remuneration in lieu of director's fees to be provided up to and including December 2024 on a monthly basis from January 2022 (or annually from January 2023 to January 2025 for Mr McLauchlan). The issue of the Related Party Shares to Messrs Russell and Nelson is also to incentivise their continued performance in connection with their executive roles for the Company;
- (e) as at the date of the Notice, the Related Parties' interests in securities of the Company are as follows:

| Related Party      | Shares                  | Performance Shares | Performance Rights     | Options   |
|--------------------|-------------------------|--------------------|------------------------|-----------|
| Mandar Nelson      | -                       | -                  | -                      | -         |
| Richard Borenstein | 45,297,550 <sup>1</sup> | 3,333,333          | 1,111,118              | -         |
| David McLauchlan   | 140,851,820             | 22,166,667         | -                      | 2,500,000 |
| Stephen Gates      | 8,609,824               | -                  | -                      | -         |
| Paul Russell       | 9,318,829 <sup>2</sup>  | 333,333            | 6,125,000 <sup>3</sup> | -         |
| James Nelson       | 808,680                 | -                  | 546,875                | -         |

Notes:

1. Comprising of 27,400,003 Shares held by Mr Borenstein directly, 3,504,763 Shares held by Mr Borenstein as trustee for the Patricia M Baehr Residual Trust, a trust controlled by Mr Borenstein and 14,392,784 Shares held by Edgewood Partners LLC, an entity controlled by Mr Borenstein.
2. Comprising of 1,180,050 Shares held by Mr Russell directly, 6,472,223 Shares held by P W Russell <The Paul Russell Family A/C> and 1,666,556 Shares held by Paul Russell Investments Pty Ltd <P Russell Family A/C>.
3. Comprising of 5,500,000 Performance Rights held by P W Russell <The Paul Russell Family A/C> and 625,000 Performance Rights held by Paul Russell Investments Pty Ltd <P Russell Family A/C>.

(f) securities have previously been issued to the Related Parties under the Plan as follows:

| Related Party      | Shares    | Performance Rights | Average acquisition price paid for the securities |
|--------------------|-----------|--------------------|---|
| Mandar Nelson      | -         | -                  | -   |
| Richard Borenstein | -         | 20,000,000         | Nil   |
| David McLauchlan   | -         | -                  | -   |
| Stephen Gates      | -         | -                  | -   |
| Paul Russell       | 1,505,963 | 20,537,500         | Nil   |
| James Nelson       | -         | 1,250,000          | Nil   |

(g) the Related Party Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;

(h) the remuneration package of each of the Directors for the year ended 30 June 2021 is as follows:

| Director                   | Short Term Benefits | Superannuation | Share Based Payments | Total      |
|----------------------------|---------------------|----------------|----------------------|------------|
| Richard Borenstein         | -                   | -              | A\$621,111           | A\$621,111 |
| David McLauchlan           | A\$248,979          | -              | -                    | A\$248,979 |
| Stephen Gates <sup>1</sup> | -                   | -              | -                    | -          |
| Paul Russell <sup>2</sup>  | A\$181,636          | A\$17,255      | A\$194,882           | A\$393,773 |
| James Nelson <sup>2</sup>  | A\$141,518          | A\$13,444      | A\$20,093            | A\$175,055 |

Notes:

1. Appointed 19 August 2021.
2. Appointed 8 June 2021.

(i) the Related Party Shares will be issued to each Related Party as follows (subject to continued employment with the Company):



| Related Party      | After the Meeting | Monthly from January 2022 to December 2024 | Annually from January 2023 to January 2025 | Annually from July 2022 to July 2024 |
|--------------------|-------------------|--|--|--------------------------------------|
| Mandar Nelson      | 396,875           | -  | -  | -                                    |
| Richard Borenstein | -                 | 648,148                                    | -  | -                                    |
| David McLauchlan   | -                 | -  | 11,260,381                                 | -                                    |
| Stephen Gates      | 1,388,889         | 277,778                                    | -  | -                                    |
| Paul Russell       | 2,194,444         | 277,778                                    | -  | 250,000                              |
| James Nelson       | 2,194,444         | 277,778                                    | -  | 250,000                              |

- (j) the Related Party Shares will be issued no later than three years after the date of the Meeting;
- (k) the Related Party Shares are being issued pursuant to the Plan, a summary of the material terms of which is provided in Schedule 1 to the Notice;
- (l) no funds will be raised from the issue of Related Party Shares as they are being issued for nil cash consideration to:
- (i) Mrs Nelson under the Plan as part of her ordinary employment compensation; and
  - (ii) the Directors as consideration for the services provided and to be provided by the Directors;
- (m) the Company notes that:
- (i) details of any securities issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
  - (ii) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (n) historical quoted price information for the Company's listed securities for the last twelve months is as follows:

| Shares  | Price (A\$) | Date             |
|---------|-------------|------------------|
| Highest | 0.0650      | 21 January 2021  |
| Lowest  | 0.0120      | 17 December 2021 |
| Last    | 0.0120      | 17 December 2021 |

- (o) the issue of Related Party Shares the subject of Resolutions 7 to 12 (inclusive) will result in a dilution of all Shareholders' holding in the Company of:
  - (i) approximately 2.73% based on the issued Shares as at the date of the Notice; and
  - (ii) approximately 2.46% on a fully diluted basis.
- (p) voting exclusion statements are included in the Notice for Resolutions 7 to 12 (inclusive); and
- (q) other than the information above and otherwise detailed in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 7 to 12 (inclusive).

## 10.5 Directors' Recommendation

The Directors decline to make a recommendation on Resolutions 7 to 12 (inclusive) as they have a material personal interest in these Resolutions and do not consider it appropriate that they make a recommendation.

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## 11. RESOLUTION 13 – APPROVAL OF 10% PLACEMENT FACILITY

### 11.1 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.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

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

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. 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.

If Resolution 13 is passed, the effect will be that the Company will be able to issue Equity Securities under the 10% Placement Facility in addition to the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 13 is not passed, the effect will be that the Company will not be able to issue any Equity Securities under the 10% Placement Facility and will have to rely upon its 15% placement capacity under Listing Rule 7.1 for the issue of Equity Securities.

Resolution 13 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 Chair intends to exercise all available proxies in favour of Resolution 13.

## 11.2 Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

### (b) Equity Securities

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

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

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

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

**(A x D) – E**

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

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17),
- (ii) plus the number of fully paid ordinary securities issued in the 12 months on the conversion of convertible securities within rule 7.2 (exception 9) where:
  - (A) the convertible securities were issued or agreed to be issued before the commencement of the 12 months; or
  - (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under these Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- (iii) plus the number of fully paid ordinary securities in the 12 months under an agreement to issue securities within Listing Rule 7.2 (exception 16) where:
  - (A) the agreement was entered into before the commencement of the relevant period; or
  - (B) the agreement or issue was approved or taken under these rules to have been approved under Listing Rule 7.1 or Listing Rule 7.4,
- (iv) plus the number of any other fully paid ordinary securities issued in the 12 months with approval under Listing Rule 7.1 or Listing Rule 7.4 (noting that this may include fully paid ordinary securities issued in the 12 months under an agreement to issue securities within Listing Rule

7.2 (exception 17) where the issue is subsequently approved under Listing Rule 7.1),

(v) plus the number of partly paid ordinary securities that became fully paid in the 12 months;

(vi) less the number of fully paid ordinary securities cancelled in the 12 months.

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

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under rule Listing Rule 7.4.

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

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 3,467,120,792 Shares and has capacity to issue:

(i) 418,161,574 Equity Securities under Listing Rule 7.1; and

(ii) subject to Shareholder approval being sought under Resolution 13, 339,589,770 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 11.2(c)).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days 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.

**(f) 10% Placement Period**

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

(A) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.

(B) The time and date of the entity's next annual general meeting.

- (C) The time and 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),

(the 10% Placement Period).

### 11.3 Effect of Resolution

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

### 11.4 Specific Information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, the following information is provided:

- (a) Shareholder approval will be valid during the 10% Placement Period as detailed in Section 11.21.1(f).
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days on which trades in that class were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) If Resolution 13 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,which may have an effect on the amount of funds raised by the issue of the Equity Securities.
- (d) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.
- (e) The table also shows:
  - (i) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable 'A' in Listing Rule 7.1A.2                                    |                        | Dilution                                    |                         |  |
|--|------------------------|---|-------------------------|--|
|  |                        | A\$0.0060<br>50% decrease<br>in Issue Price | A\$0.012<br>Issue Price | A\$0.024<br>100%<br>increase in<br>Issue Price |
| Current<br>Variable A<br>(3,467,120,792<br>Shares)                     | 10% Voting<br>Dilution | 346,712,079                                 | 346,712,079             | 346,712,079                                    |
|  | Funds<br>raised        | \$2,080,272                                 | \$4,160,545             | \$8,321,090                                    |
| 50% increase in<br>current<br>Variable A<br>(5,200,681,188<br>Shares)  | 10% Voting<br>Dilution | 520,068,119                                 | 520,068,119             | 520,068,119                                    |
|  | Funds<br>raised        | \$3,120,409                                 | \$6,240,817             | \$12,481,635                                   |
| 100% increase<br>in current<br>Variable A<br>(6,934,241,584<br>Shares) | 10% Voting<br>Dilution | 693,424,158                                 | 693,424,158             | 693,424,158                                    |
|  | Funds<br>raised        | \$4,160,545                                 | \$8,321,090             | \$16,642,180                                   |

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Performance Rights or Options are exercised or converted into Shares before the date of the issue of the Equity Securities.
- (iii) 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%.
- (iv) 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.
- (v) 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.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vii) The issue price is \$0.012, being the closing price of the Shares on ASX on 9 December 2021. The Company will only issue the Equity Securities during the 10% Placement Period.
- (f) The Company may seek to issue the Equity Securities for cash consideration for the expansion of its existing business and general working capital.
- (g) The Company will only issue the Listing Rule 7.1A Shares during the 10% Placement Period. The approval under Resolution 13 will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature of scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (h) The Company will comply with the disclosure obligations under Listing Rules 3.10.3 and 7.1A(4) upon issue of any Equity Securities.
- (i) 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 subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
  - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisers (if applicable).
- (j) The subscribers 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 Shareholders who are not a related party or an associate of a related party of the Company and are likely to be sophisticated and professional investors.
- (k) In the 12 months preceding the date of the Meeting, the Company has not issued any Equity Securities pursuant to Listing Rule 7.1A.2.
- (l) A voting exclusion statement is included in the Notice for Resolution 13. However as at the date of the Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on this Resolution.

## 11.5 Directors' Recommendation

The Directors recommend that Shareholders vote in favour of Resolution 13.

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## 12. RESOLUTION 14 – APPROVAL OF BUY-BACK OF PERFORMANCE SHARES

### 12.1 General

91,000,000 Performance Shares were granted to certain Directors, key management personnel and employees (together, the **Performance Share Holders**) when the Company completed its 100% acquisition of the issued capital of Buddy Platform Inc. and backdoor listing in December 2015. The Performance Shares were offered under a prospectus dated 3 November 2015 and Shareholder approval was obtained for their issue on 9 November 2015.

The 91,000,000 Performance Shares expired on 17 December 2020 and 31,833,333 Performance Shares remained unvested (due to the relevant performance milestones not being achieved).

Of the 31,833,333 Performance Shares that remain unvested, 22,166,667 are held by Director Mr David McLauchlan, 3,333,333 are held by Director Mr Richard Borenstein and 333,333 are held by Director Mr Paul Russell.

The full terms of the Performance Shares issued to are outlined in Schedule 2.

Given the 31,833,333 Performance Shares (**Buy-Back Performance Shares**) expired on 17 December 2020 and no longer capable of being vested (and converting into Shares), the Company is seeking Shareholder approval under Resolution 14 to conduct a selective buy-back to buy-back and cancel the Buy-Back Performance Shares in accordance with section 257D of the Corporations Act (**Buy-Back**).

Resolution 14 therefore seeks approval of Shareholders to undertake the Buy-Back in the three month period following the Meeting.

If Resolution 14 is passed, Shareholder approval for the Buy-Back under section 257D of the Corporations Act will remain current for three months after the Meeting.

If Resolution 14 is not passed, the Buy-Back will not proceed, the Performance Shares will not be cancelled and will remain on the Company's share register.

Resolution 14 is a special resolution.

## **12.2 Corporations Act requirements for a buy-back**

A listed company may buy-back its own shares if:

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

As there is no net cash outflow from the Company as a result of the Buy-Back, there will be no prejudice to the Company's ability to pay its creditors.

In accordance with section 257D of the Corporations Act, the terms of the buy-back agreement must be approved by special resolution passed at a general meeting of the company, with no votes being cast in favour of the resolution by any person whose shares are proposed to be bought back or by their associates, or a resolution agreed to, at a general meeting, by all ordinary shareholders.

Resolution 14 is a special resolution and therefore requires at least 75% of 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) to approve Resolution 14.

## **12.3 Terms of the buy-back and buy-back agreement**

The Company intends to, in the three month period following the Meeting, enter into buy-back agreements with the Performance Share Holders to effect the Buy-Back (**Buy-Back Agreements**).

The terms of the Buy-Back Agreements are conditional on Shareholder approval of Resolution 14. Subject to and after Shareholder approval of Resolution 14, the Company intends to enter into and execute the Buy-Back Agreements for the Buy-Back Performance Shares.

The terms of the Buy-Back Agreements will provide that the Company will buy-back all of the Buy-Back Performance Shares for nil consideration. As a result of the Buy-Back, there will be no net cash outflow from the Company and no cash proceeds will be paid to the Performance Share Holders.



Immediately after the registration of the transfer to the Company of the Buy-Back Performance Shares, the Buy-Back Performance Shares will be cancelled in accordance with the buy-back procedure under section 257H of the Corporations Act.

The Company will announce to ASX when the Buy-Back Performance Shares are cancelled and when the Company has completed the Buy-Back.

#### **12.4 Financial effect of the buy-back**

As at the date of the Notice there are 3,467,120,792 Shares and 31,833,333 Performance Shares, which have not yet vested, on issue. The proposed Buy-Back will have no effect on the Company's cash reserves as there is no cash consideration payable by the Company.

If the Company buys-back the Buy-Back Performance Shares in the three month period following the Meeting and assuming the Company does not issue any new Shares in the three month period following the Meeting, the number of Shares on issue in the Company's issued capital will remain the same and the number of Performance Shares on issue will reduce to nil.

The Directors are of the view that the Buy-Back will not materially prejudice the Company's ability to pay its creditors because the Buy-Back does not require the Company to pay cash which otherwise would reduce its cash reserves.

On completion of the Buy-Back, the contributed equity of the Company will remain unchanged as no amounts were received from the Performance Share Holders at the time of the grant of the Performance Shares

#### **12.5 Effect of buy-back on capital structure**

The Company has 3,467,120,792 Shares and 31,833,333 Performance Shares on issue. The Buy-Back Performance Shares to be bought back represent approximately 0% of the Company's issued share capital, as the Buy-Back Performance Shares have not vested and given they have expired, are no longer capable of being vested (and converting into Shares). If the Buy-Back is completed, the Company will have nil Performance Shares on issue. Accordingly, the Buy-Backs will not have an effect on the control of the Company.

The Buy-Back will enable the Company to buy-back the Buy-Back Performance Shares which have expired and are incapable of being vested, removing them from the Company's share register. The Buy-Back will have no effect on the cash reserves of the Company and will not impact in any way on the Company's ability to pay its creditors or have an effect on the control of the Company.

There are no known disadvantages for the Company or its Shareholders of the proposed Buy-Back.

#### **12.6 Current market price**

To provide an indication of the recent market price of the Company's Shares, the closing price on 9 December 2021 was \$0.012. The highest and lowest market sale prices for the Company's Shares on the ASX during the previous three months were as follows:

| Shares  | Price    | Date              |
|---------|----------|-------------------|
| Highest | A\$0.020 | 27 September 2021 |
| Lowest  | A\$0.012 | 9 December 2021   |

Other than as disclosed in the Notice, there is no other information known to the Company that is material to Shareholders' decision on how to vote on Resolution 14.

#### **12.7 Directors' Recommendation**

The Directors (apart from Mr McLauchlan, Mr Borenstein and Mr Russell) recommend that Shareholders vote in favour of Resolution 14 to approve the Buy-Back.

The Chair intends to vote all available proxies in favour of Resolution 14.

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### **13. RESOLUTION 15 – SECTION 195 APPROVAL**

#### **13.1 General**

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

The Directors may have a material personal interest in the outcome of Resolutions 7 to 12 (inclusive). In the absence of this Resolution 15, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolutions 7 to 12 (inclusive).

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 15 is an ordinary resolution.

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Facility** has the meaning given to that term in Section 11.1.

**10% Placement Period** has the meaning given to that term in Section 11.2.

**ACDT** means Australian Central Daylight Time, being the time in Adelaide, South Australia.

**AGM** means an annual general meeting of the Company.

**Meeting** means the annual general meeting convened by the Notice.

**Annual Report** means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2021.

**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.

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

**Board** means the current board of directors of the Company.

**Buddy Group** means the Company and its subsidiaries.

**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.

**Buy-Back** has the meaning given in Section 12.1.

**Buy-Back Agreement** has the meaning given in Section 12.3.

**Buy-Back Performance Shares** has the meaning given in Section 12.1.

**Chair** means the chair of the Meeting.

**Closely Related Party** means in relation to a member of a Key Management Personnel:

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

**Company** or **Buddy** means Buddy Technologies Limited (ACN 121 184 316).

**Constitution** means the Company's constitution.

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

**Directors** mean the current directors of the Company.

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

**Related Parties** has the meaning given in Section 10.1.

**Related Party Shares** has the meaning given in Section 10.1.

**Equity Security** has the same meaning as in the Listing Rules.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

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

**Incentives** has the meaning given in Section 9.1.

**Listing Rules** means the Listing Rules of ASX.

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

**Option** means an option to acquire a Share.

**Performance Rights** means a performance right convertible into a Share.

**Performance Shares** means a performance share convertible into a Share.

**Performance Share Holders** has the meaning given in Section 12.1.

**Plan** has the meaning given in Section 9.1.

**Proxy Form** means the proxy form accompanying the Notice.

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

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

**Section** means a section of this Explanatory Statement.

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

**Shareholder** means a registered holder of a Share.

**Strike** means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

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## SCHEDULE 1 – TERMS AND CONDITIONS OF INCENTIVE PLAN

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The terms of the Incentive Plan (**Plan**) are summarised below. A copy of the Plan can be obtained by contacting the Company. Terms not defined in the Notice have the meaning given in the Plan.

### Eligible Employees

- 1 The eligible participants under the Plan are directors and employees who are declared by the Board in its sole and absolute discretion to be eligible to receive grants of Shares, Options or Performance Rights under the Plan; or any other person who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Shares, Options or Performance Rights under the Plan. For the purposes of the Plan, "Eligible Employee" means an employee, director or other consultant or contractor of the Company or any of its subsidiaries. In accordance with the Listing Rules, prior Shareholder approval will be required before any Director or related party of the Company can participate in the Plan and be granted Shares, Options or Performance Rights.

### Limits on Entitlement

- 2 The Company must not make an Offer for Shares, Options or Performance Rights under the Plan if, immediately afterwards, the sum of:
  - 2.1 the total number of unissued Shares which may be acquired pursuant to the Offer (for avoidance of doubt, including pursuant to Options or Performance Rights which may be applied for as part of the Offer);
  - 2.2 the total number of unissued Shares over which Options have been granted or Performance Rights issued during the preceding three years under this Plan and any other Group employee incentive scheme; and
  - 2.3 the total number of Shares (not being Shares under the Plan) issued during the preceding three years under this Plan and any other Group employee incentive scheme,would exceed 10% of the total number of Shares on issue at the time of the proposed issue.
- 3 The maximum allocation and allocated pool may be increased by Board resolution, provided such an increase complies with the Listing Rules.

### Individual Limits

- 4 The Plan does not detail a maximum number of Shares that may be made issuable to any one person or company.

### Offer and Conditions

- 5 An offer to an Eligible Employee to apply for the grant of Shares, Options or Performance Rights under the Plan (**Offer**) must be detailed in an Offer Letter delivered to the Eligible Employee and specify:
  - 5.1 the number of Shares, Options or Performance Rights;
  - 5.2 the conditions on the Offer (**Offer Conditions**);
  - 5.3 the grant date;
  - 5.4 the fee (if any);

- 5.5 the performance criteria (if any);
- 5.6 the vesting conditions (if any);
- 5.7 the exercise price (if any);
- 5.8 the exercise period (if applicable);
- 5.9 the performance period (if applicable);
- 5.10 the expiry date and term (if applicable);
- 5.11 the forfeiture conditions (if any);
- 5.12 any restrictions attaching to the Shares or Shares issued following the exercise of an Option or the satisfaction of performance criteria of a Performance Right together with the restriction period; and
- 5.13 the terms of any employee loan to be made by the Company to the employee in accordance with this Plan to fund the purchase of Shares offered (if applicable).

#### **Consideration Payable**

- 6 Shares, Options and Performance Rights will be issued for nil consideration. The exercise price (if any) and expiry date for an Option will be specified in the Offer.
- 7 Under the Plan, the Board has the discretion to allow an Option holder to set-off the exercise price of Options against the number of Shares that the Option holder is entitled to receive upon exercise of the Options, allowing the Option holder to receive Shares equal in value to the difference between the exercise price of the options and the market value of the Shares (**Cashless Exercise**).

#### **Option Terms:**

- 8 The Board will determine any performance criteria or vesting conditions attaching to an Option.
- 9 Each vested Option will entitle the holder to one Share on payment of the exercise price (if any).
- 10 A Participant who holds Options is not entitled to notice of, or to vote or attend at a meeting of Shareholders, receive any dividends declared by the Company, or participate in any new issue of securities offered to Shareholders during the term of the Options, unless and until the Options are exercised and the Participant holds Shares under the Plan.
- 11 Options will only vest and be exercisable if any applicable performance criteria or vesting conditions have been satisfied, are deemed satisfied under the Plan rules, or are waived by the Board.
- 12 Options granted under the Plan may not be assigned, transferred or encumbered, or otherwise disposed of by a participant, unless the prior consent of the Board is obtained (and the Board may impose such conditions as it sees fit) or the assignment or transfer occurs by force of law upon the death of a participant to their legal personal representative.
- 13 If the Company makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of satisfaction of dividends or by way of dividend reinvestment), the exercise price of the Option will be reduced according to the formula in Listing Rule 6.22.2.

- 14 If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment), the number of securities over which the Option is exercisable will be adjusted in accordance with Listing Rule 6.22.3.
- 15 If there is any reorganisation of the issued share capital of the Company, the rights of the Participant who holds Options will be varied to comply with the Listing Rules that apply to the reorganisation at the time.
- 16 The Board will not seek official quotation of Options, but must use all reasonable endeavours to obtain the grant of quotation of Shares issued on exercise of Options.

**Performance Right Terms:**

- 17 The Board may offer Performance Rights to an Eligible Employee at its sole discretion.
- 18 A Performance Right confers an entitlement to be provided with one Share upon satisfaction of specified performance criteria.
- 19 A participant who holds Performance Rights is not entitled to notice of, or to vote or attend at a meeting of Shareholders, or receive any dividends declared by the Company, unless and until the Performance Rights are satisfied and the participant holds Shares under the Plan.
- 20 Unless otherwise determined by the Board, Performance Rights cannot be transferred to or vest in any person other than the participant.
- 21 If there is any reorganisation of the issued share capital of the Company, the rights of the Participant who holds Performance Rights will be varied to comply with the Listing Rules that apply to the reorganisation at the time.
- 22 The Board will not seek official quotation of Performance Rights, but must use all reasonable endeavours to obtain the grant of quotation of Shares issued on exercise of Performance Rights.

**Lapse of Options and Performance Rights**

- 23 Subject to the Board's discretion, Options and Performance Rights shall automatically be cancelled for no consideration where:
  - 23.1 the Participant ceases to hold employment or office (except where provided for under the Good Leaver and Bad Leaver provisions, as described in section entitled "Good Leaver" below);
  - 23.2 the Options or Performance Rights are forfeited under the terms of the Offer or, in the reasonable opinion of the Board, the participant acts fraudulently or dishonestly, or wilfully breaches his or her duties to the Company;
  - 23.3 the applicable performance criteria or vesting conditions are not achieved by the relevant time;
  - 23.4 the Board determines, in its reasonable opinion, that the applicable performance criteria or vesting conditions have not been met and cannot be met within the relevant time;
  - 23.5 in the case of Options, the expiry date has passed;
  - 23.6 in the case of Performance Rights, the Board determines that the participant has not satisfied the performance criteria;

- 23.7 the Board determines that the participant has brought the company into disrepute;
- 23.8 the participant surrenders the Performance Rights or Options; and
- 23.9 the Offer letter provides for the cancellation of the Performance Rights or Options in any other circumstances.

#### **Share Terms**

- 24 Shares issued under the Plan will be subject to Offer Conditions and will remain restricted securities until the Offer Conditions have been satisfied. If the participant ceases to be an Eligible Employee prior to satisfaction of the Offer Conditions, the Company has the right to buy-back the Shares. The Company may also buy-back the Shares where the participant has acted fraudulently or dishonestly or the Board determines that any Offer Conditions have not been met by the Expiry Date.

#### **Employee Loan**

- 25 the Board may, in its absolute discretion, offer to a participant a limited recourse, interest free loan to be made by the Company to the participant for an amount equal to the Issue Price for the Shares offered to the participant pursuant to the relevant Offer.

#### **Good Leaver**

- 26 Where a participant who holds Incentives becomes a Good Leaver all vested Incentives which have not been exercised will continue in force and remain exercisable for 90 days after the date the participant becomes a Good Leaver, unless the Board determines otherwise in its sole and absolute discretion, after which the Incentives will lapse. A Good Leaver is a person who is not a Bad Leaver. A Bad Leaver includes a person who is dismissed from office for serious or persistent breach of their terms of employment, a director who has become disqualified, or a person who has committed some other fraudulent, dishonest or negligent act.

#### **Assignment**

- 27 Incentives may not be sold, transferred, assigned or novated except with the prior approval of the Board. Upon death or total and permanent disablement of the participant, the Board may permit the sale or transfer of any Shares acquired under the Plan.

#### **Change of Control**

- 28 All granted Performance Rights which have not yet vested or lapsed will automatically and immediately vest, and a participant may exercise any or all of their Options, regardless of whether the vesting conditions have been satisfied (provided that no Option will be capable of exercise later than the expiry date), if any of the following change of control events occur:
  - 28.1 the Company announces that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company) and the Court, by order, approves the scheme of arrangement;
  - 28.2 a Takeover Bid:
    - 28.2.1 is announced;
    - 28.2.2 has become unconditional; and



- 28.2.3 the person making the Takeover Bid has a Relevant Interest in 50% or more of the issued Shares; or
- 28.3 any person acquires a Relevant Interest in 50.1% or more of the issued Shares by any other means.

**Termination, Suspension or Amendment**

- 29 The Board may terminate, suspend or amend the Plan at any time subject to any resolution of the Company required by the Listing Rules.

**Employee Share Trust**

- 30 The Board may use an employee share trust for the purposes of holding shares for participants under the Plan.

**Disposal Restrictions on Shares**

- 31 The Board may impose disposal restrictions on Shares issued under the Plan or acquired following the vesting of Performance Rights or exercise of Options as a condition of any Offer. The Board may place a holding lock or similar arrangements on the Shares to give effect to the restrictions.

**Capital Reconstructions**

- 32 Subject to applicable laws, the number of Incentives and Shares held by a Participant may be determined by the Board in its sole and absolute discretion to be such number is appropriate so that the participant does not suffer any material detriment following a variation in the share capital of the Company.

**Buy-back**

- 33 The Company may buy-back Shares issued under the Plan in certain circumstances in accordance with the rules of the Plan.

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## SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE SHARES

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### 1 General

- 1.1 **(Share capital)** Each Performance Share is a Share in the capital of the Company.
- 1.2 **(General meetings)** Each Performance Share confers on the holder (**Holder**) the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to the Company's shareholders. A Holder has the right to attend general meetings of the Company.
- 1.3 **(No voting rights)** A Performance Share does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.
- 1.4 **(No dividend rights)** A Performance Share does not entitle the Holder to any dividends.
- 1.5 **(No rights on winding up)** A Performance Share has no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.
- 1.6 **(Transfer of Performance Shares)** The Performance Shares are not transferable.
- 1.7 **(Reorganisation of Capital)** In the event that the issued capital of the Company is reconstructed, all rights of a Holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the Holder are not diminished or terminated.
- 1.8 **(Quotation)** The Performance Shares will not be quoted on ASX.
- 1.9 **(No participation in entitlements and bonus issues)** Subject always to the rights under item 1.7 (Reorganisation of Capital), Holders will not be entitled to participate in new issues of capital offered to Shareholders such as bonus issues and entitlement issues.
- 1.10 **(Amendments required by ASX)** The terms of the Performance Shares may be amended as considered necessary by the board of directors of the Company in order to comply with the Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.
- 1.11 **(No other rights)** A Performance Share does not give a Holder any 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.

### 2 Conversion of the Performance Shares

- 2.1 **(Milestones)** The Performance Shares will, subject to item 2.2, convert upon satisfaction of any one of the following milestones:
- 2.1.1 One third (1/3) of all Performance Shares held by the Holder as at the date of issue of the Performance Shares (**Issue Date**) shall convert upon the Company (or its subsidiaries) logging 20,000,000 total discrete connections to any Buddy server or service (**Interactions**) by any approved network connected hardware or software application (**Device**) per day for no less than

3 consecutive weeks within a period of 24 months from the date of completion of the Capital Raising;

2.1.2 One third (1/3) of all Performance Shares held by the Holder as at the Issue Date shall convert upon the total number of devices creating an Interaction with a Buddy application that it has not previously interacted with (**New Connection**) exceeding 500,000 per week for no less than three (3) consecutive weeks within a period of 24 months from the date of completion of the Capital Raising;

2.1.3 One third (1/3) of all Performance Shares held by the Holder as at the Issue Date shall convert upon the Company (or its subsidiaries) satisfying the following milestones within a period of 36 months from the date of completion of the Capital Raising:

(a) total daily device interactions with the Buddy Platform exceed 50,000,000 per day for no less than 3 consecutive weeks; and

(b) total number of devices creating new connections to Buddy exceeding 1,000,000 per week for no less than 3 consecutive weeks,

(each referred to as a **Milestone**).

**Capital Raising** has the meaning given in the Company's prospectus dated 3 November 2015.

2.2 (**Conversion of Performance Shares**) Subject to items 2.2.1 and 2.2.2 below, in the event a Milestone is satisfied, the Performance Shares held by the Holder will convert into an equal number of Shares. If:

2.2.1 the conversion of the Performance Shares into Shares would result in the Holder being in contravention of section 606(1) of the Corporations Act, then the conversion of such number of Performance Shares that would cause the contravention will be deferred until such time or times thereafter the conversion would not result in such a breach; and

2.2.2 the above item 2.2.1 applies, the Holder may by notice in writing, require the Company to call a meeting of its shareholders for the purposes of obtaining approval under item 7, section 611 of the Corporations Act. If the Holder provides such notice in writing to the Company, the Company must as soon as practicable call a meeting of its shareholders for the purposes of obtaining approval under item 7, section 611 of the Corporations Act for the conversion of the Performance Shares into Shares.

2.3 (**No Conversion if Milestone not Achieved**) Any Performance Share not converted into a Share within 5 years from the Issue Date will lapse.

2.4 (**After Conversion**) The Shares issued on conversion of the Performance Shares will, as and from 5.00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.

2.5 (**Conversion Procedure**) The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Shares into Shares.

# Virtual Meeting Online Guide

## Before you begin

Ensure your browser is compatible.  
Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

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Supported browsers are:

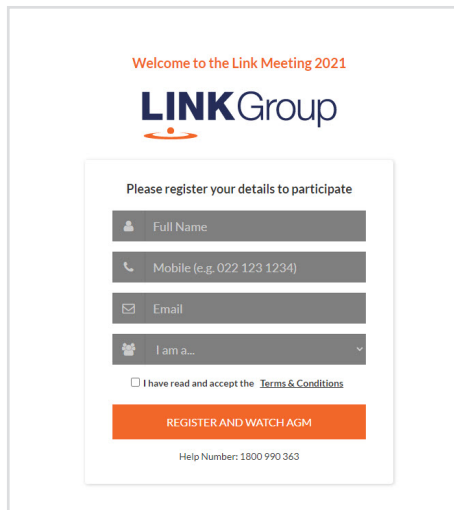
- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

**To attend and vote you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**

# Virtual Meeting Online Guide



Welcome to the Link Meeting 2021

**LINK**Group

Please register your details to participate

Full Name

Mobile (e.g. 022 123 1234)

Email

I am a...

☐ I have read and accept the [Terms & Conditions](#)

**REGISTER AND WATCH AGM**

Help Number: 1800 990 363

## Step 1

Open your web browser and go to <https://meetings.linkgroup.com/BUDAGM21>

## Step 2

Log in to the portal using your full name, mobile number, email address, and participant type.

Please read and accept the terms and conditions before clicking on the blue **'Register and Watch Meeting'** button.

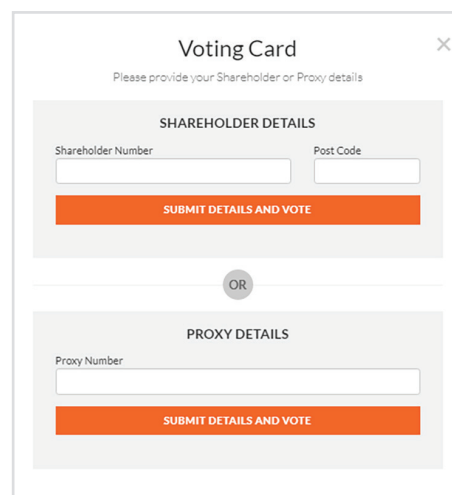
- On the left – a live audio webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – buttons for 'Get a Voting Card', 'Ask a Question' and a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## 1. Get a Voting Card

To register to vote – click on the 'Get a Voting Card' button.

This will bring up a box which looks like this.



**Voting Card**

Please provide your Shareholder or Proxy details

**SHAREHOLDER DETAILS**

Shareholder Number

Post Code

**SUBMIT DETAILS AND VOTE**

OR

**PROXY DETAILS**

Proxy Number

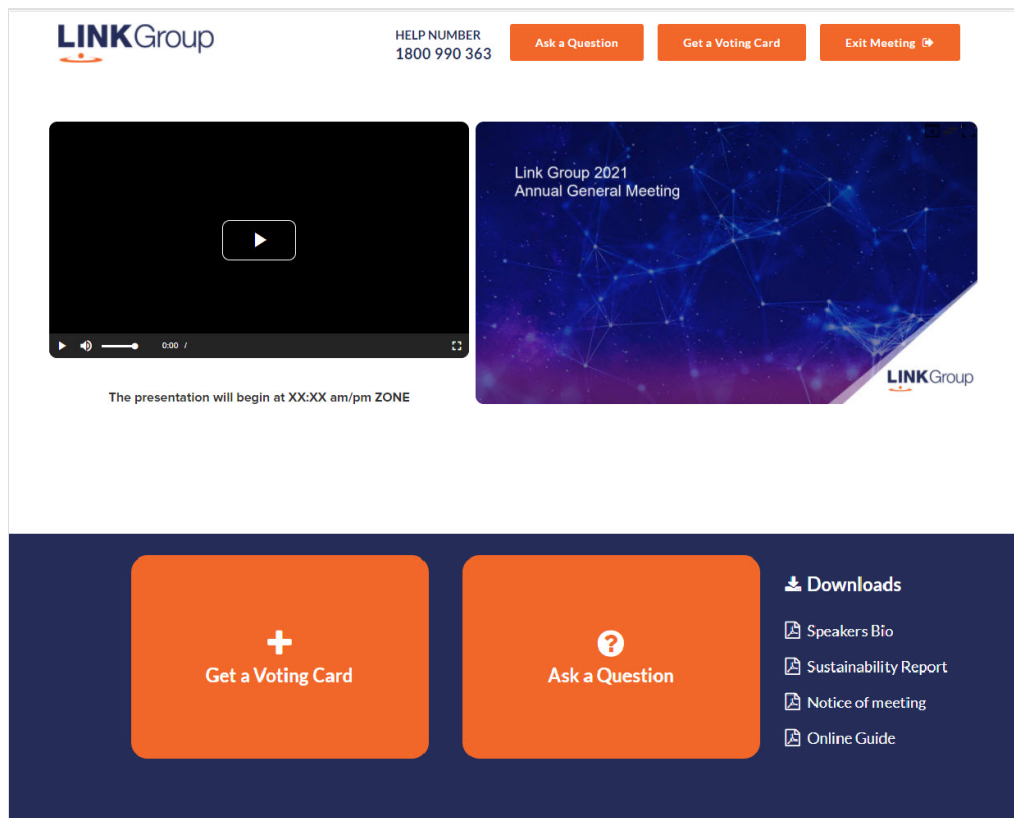
**SUBMIT DETAILS AND VOTE**

If you are an individual or joint securityholder you will need to register and provide validation by entering your securityholder number and postcode.

If you are an appointed Proxy, please enter the Proxy Number issued by Link in the PROXY DETAILS section. Then click the **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by securityholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to view all resolutions.

Securityholders and proxies can either submit a Full Vote or Partial Vote.



ABC COMPANY PTY LTD

X123456789

X

Voting Card

Please complete your vote by selecting the required voting instruction (For, Against or Abstain) for each resolution. If you would like complete a partial vote, please specify the number of votes for each resolution in the Partial Vote section. Proxy holder votes will only be applied to discretionary (undirected) votes. Directed votes will be applied as per the Unitholder's voting instructions.

Full Vote

Partial Vote

Resolution 2B

☒ For
☐ Against
☐ Abstain

RE-ELECTION OF MRL ABC AS A DIRECTOR

Resolution 2C

☒ For
☐ Against
☐ Abstain

RE-ELECTION OF MS XYZ AS A DIRECTOR

Resolution 3

☒ For
☐ Against
☐ Abstain

INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT

Resolution 4

☒ For
☐ Against
☐ Abstain

ADOPTION OF REMUNERATION REPORT

SUBMIT VOTE

## Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

## Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes it will automatically tally how many votes you have left.

**Note:** If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click on the **'Submit Vote'** or **'Submit Partial Vote'** button.

**Note:** You can close your voting card without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time. Please make any changes and submit your voting cards.

Once voting has been closed all submitted voting cards cannot be changed.



# Virtual Meeting Online Guide *continued*

## 2. How to ask a question

**Note:** Only securityholders are eligible to ask questions.

If you have yet to obtain a voting card, you will be prompted to enter your security holder number or proxy details before you can ask a question. To ask a question, click on the 'Ask a Question' button either at the top or bottom of the webpage.

The '**Ask a Question**' box will then pop up with two sections for completion.

### Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the AGM. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

**Regarding** General Business

**Question**

Type your question here...

**Submit Question**

In the '**Regarding**' section click on the drop down arrow and select the category/resolution for your question.

Click in the '**Question**' section and type your question and click on 'Submit'.

A '**View Questions**' box will appear where you can view your questions at any point. Only you can see the questions you have asked.

If your question has been answered and you would like to exercise your right of reply, you can submit another question.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.

### View Questions

Your submitted questions can be viewed below. We will endeavour to answer all questions during the AGM.

When will the next AGM be held?

Asked regarding General Business

Asked at: 7:18AM Updated: 7:18AM

**OPEN COMMENTS**

**SUBMIT ANOTHER QUESTION**

## 3. Downloads

View relevant documentation in the Downloads section.

## 4. Voting closing

Voting will end 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not submitted your vote, you should do so now.

## Contact us

### Australia

T +61 1800 990 363

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)



**Buddy Technologies Limited**  
ACN 121 184 316

## LODGE YOUR VOTE



**ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



**BY MAIL**  
Buddy Technologies Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



**BY FAX**  
+61 2 9287 0309



**BY HAND\***  
Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150; or  
Level 12, 680 George Street, Sydney NSW 2000

\*During business hours Monday to Friday



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

## LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (ACDT) on Wednesday, 26 January 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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



**ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

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



### BY MOBILE DEVICE

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

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

### QR Code



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

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

### APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO 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 those 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 Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON RESOLUTIONS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each resolutions. 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 resolution 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 resolutions, your proxy may vote as he or she chooses. If you mark more than one box on an resolution your vote on that resolution will be invalid.

### APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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



NAME SURNAME  
ADDRESS LINE 1  
ADDRESS LINE 2  
ADDRESS LINE 3  
ADDRESS LINE 4  
ADDRESS LINE 5  
ADDRESS LINE 6



X99999999999

## PROXY FORM

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

### APPOINT A PROXY

☐ the Chair of the Meeting (mark box)

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

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (ACDT) on Friday, 28 January 2022 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://meetings.linkgroup.com/BUD22> (refer to details in the Virtual Meeting Online Guide).

**Important information for Resolutions 1, 6, 7, 8, 9, 10, 11 & 12:** If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Resolutions 1, 6, 7, 8, 9, 10, 11 & 12, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chair of the Meeting intends to vote undirected proxies in favour of each resolution. In exceptional circumstances, the Chair of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made immediately disclosing the reasons for the change.**

### VOTING DIRECTIONS

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

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

#### Resolutions

|   | For                      | Against                  | Abstain*                 |   | For                      | Against                  | Abstain*                 |
|---|--------------------------|--------------------------|--------------------------|---|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 9 Approval of Issue of Shares to Mr David Mclauchlan under the Incentive Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-Election of Director – Mr Richard Borenstein                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 10 Approval of Issue of Shares to Mr Stephen Gates under the Incentive Plan   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3 Election of Director – Mr James Nelson  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 11 Approval of Issue of Shares to Mr Paul Russell under the Incentive Plan    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4 Election of Director – Mr Paul Russell  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 12 Approval of Issue of Shares to Mr James Nelson under the Incentive Plan    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5 Election of Director – Mr Stephen Gates                                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 13 Approval of 10% Placement Facility   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6 Approval of Incentive Plan  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 14 Approval of Buy-Back of Performance Shares                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7 Approval of Issue of Shares to Mrs Mandar Nelson under the Incentive Plan     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 15 Section 195 Approval   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8 Approval of Issue of Shares to Mr Richard Borenstein under the Incentive Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |   |                          |                          |                          |



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

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

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

BUD PRX2201N