



**Sparc Technologies Limited**  
**ACN 009 092 068**

## **Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held as follows:**

**Time and date:** 11 am (ACDT) on Tuesday, 29 November 2022

**Location:** 51 Rundle Street, Kent Town, South Australia

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

**Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on +61 3 9614 0600.**

**Shareholders are urged to vote by lodging the Proxy Form attached to the Notice.**

# **Sparc Technologies Limited**

**ACN 009 092 068  
(Company)**

## **Notice of Annual General Meeting**

Notice is given that the annual general meeting of Shareholders of Sparc Technologies Limited (**Company**) will be held at 51 Rundle Street, Kent Town, South Australia at 11 am (ACDT) on Tuesday, 29 November 2022 (**Meeting**).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders as at 5pm (ACDT) on Sunday, 27 November 2022.

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

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

## **Agenda**

### **1 Annual Report**

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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

### **2 Resolutions**

#### **Resolution 1 – Adoption of Remuneration Report**

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

*“That, for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report set out in the Company’s Financial Report for the year ended 30 June 2022 is adopted.”*

**Note:** The vote on this resolution is advisory only and does not bind the Directors of the Company.

## **Resolution 2 – Re-election of Director – Mr Stephen Hunt**

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

*“That, in accordance with Clause 7.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Stephen Hunt, a Director who was appointed on 12 November 2020, retires and, being eligible, is elected as a Non-Executive Director on the terms and conditions in the Explanatory Memorandum.”*

## **Resolution 3 – Election of Director – Stephanie Moroz**

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

*“That, for the purpose of Listing Rules 14.4 and Article 7.6(b) of the Constitution and for all other purposes, Stephanie Moroz, a Director who was appointed as a Director by the Board of Directors in accordance with Article 7.6(a) of the Constitution on 2 March 2022, retires and, being eligible, is elected as a Director of the Company, on the terms and conditions in the Explanatory Memorandum.”*

## **Resolution 4 – Approval of 10% Placement Facility (LR 7.1A)**

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

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

## **Resolution 5– Modification of existing Constitution**

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

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the constitution of the Company be modified by making the amendments contained in the document tabled at this Meeting and signed by the Chair for the purposes of identification, with effect from the date this Resolution 5 is passed.”*

## **Resolution 6 – Approval of Employee Securities Incentive Plan**

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

*“That, pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the new employee securities incentive scheme of the Company known as the ‘Sparc Technologies Limited Employee Securities Incentive Plan’ and*

*the issue of Securities under that plan, on the terms and conditions in the Explanatory Memorandum.”*

## **Resolution 7 – Approval of potential termination benefits under the Plan**

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

*‘That, conditional on Resolution 6 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the " Sparc Technologies Limited Employee Securities Incentive Plan", approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.’*

## **Resolution 8 – Ratification of prior issue of Shares to Corporate Adviser**

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

*‘That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of*

- (a) *57,939 Shares in lieu of the \$60,000 payment due to Westar under the September 2021 to February 2022 Invoice; and*
- (b) *39,749 Shares in lieu of the \$30,000 payment due to Westar under the February to May 2022 Invoice,*

*issued under Listing Rule 7.1 on the terms and conditions in the Explanatory Memorandum.’*

## **Resolution 9 – Ratification of prior issue of 3,000,000 to UoA and Flinders University**

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

*‘That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,000,000 Shares, issued under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.’*

## **Resolution 10– Ratification of prior issue 1,000,000 Unquoted Options to Ms Stephanie Moroz**

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

*‘That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 Options, issued under Listing Rule 7.1 on the terms*

*and conditions in the Explanatory Memorandum.'*

## Voting exclusions

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

- (a) **Resolution 4** if at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, by or on behalf of any persons who are expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a Shareholder), or any associate of those persons; and
- (b) **Resolution 6** by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates.
- (c) **Resolution 8** by or on behalf of Westar and any person who participated in the issue or any of their respective associates.
- (d) **Resolution 9** by or on behalf of any UoA, Flinders University and any person who participated in the issue or any of their respective associates.
- (e) **Resolution 10** by or on behalf of Ms Stephanie Moroz and any person who participated in the issue or any of their respective associates.

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

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

## Voting prohibitions

**Resolution 1:** In accordance with sections 250BD and 250R of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

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

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution, 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.

**Resolution 6 and Resolution 7:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

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

However, the above prohibition does not apply if:

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

**Resolution 7:** Further, in accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

**BY ORDER OF THE BOARD**



Adrien Wing  
Company Secretary  
Sparc Technologies Limited  
Dated: 18 October 2022

**Sparc Technologies Limited ACN 009 092 068  
(Company)**

**Explanatory Memorandum**

**1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at 51 Rundle Street, Kent Town, South Australia on Tuesday, 29 November 2022 at 11 am (ACDT).

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

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

Section 2	Voting and attendance information
Section 3	Annual Report
Section 4	Resolution 1 – Adoption of Remuneration Report
Section 5	Resolution 2 – Re-election of Director – Mr Stephen Hunt
Section 6	Resolution 3 – Election of Director – Stephanie Moroz
Section 7	Resolution 4 – Approval of 10% Placement Facility (LR 7.1A)
Section 8	Resolution 5 – Modification of existing Constitution
Section 9	Resolution 6 – Approval of Employee Securities Incentive Plan
Section 10	Resolution 7 – Approval of potential termination benefits under the Plan
Section 11	Resolution 8 – Ratification of prior issue of Shares to Corporate Adviser
Section 12	Resolution 9 – Ratification of prior issue of 3,000,000 to UoA and Flinders University
Section 13	Resolution 10 – Ratification of prior issue 1,000,000 Unquoted Options to Ms Stephanie Moroz
Schedule 1	Definitions
Schedule 2	Summary of employee securities incentive plan
Schedule 3	Terms and conditions of Options

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

## **2. Voting and attendance information**

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

### **2.1 Voting in person**

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

### **2.2 Voting by proxy**

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

Please note that:

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

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

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

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

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

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and



- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting. Your proxy voting instruction must be received by 5 pm (ACDT), on Sunday, 27 November 2022 being not later than 48 hours before the commencement of the Meeting.

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

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, Resolution 6, Resolution 7, 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 the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

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

### **2.4 Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [pmoffatt@northernstargroup.com.au](mailto:pmoffatt@northernstargroup.com.au) by 5 pm (ACDT), on Sunday, 27 November 2022.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

## **3. Annual Report**

In accordance with section 317 of the Corporations Act and the Company's Constitution, Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2022.

There is no requirement for Shareholders to approve these reports.

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

- (a) discuss the Financial Report, Directors' Report and Auditor's Report, which are included in the Company's Annual Report available online at <https://sparctechnologies.com.au/about-us/> or on the ASX platform for "SPN" at [www.asx.com.au](http://www.asx.com.au);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

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

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

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

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

### **4.1 General**

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

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

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

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

A Strike was not received by the Company at its previous year's annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2023 annual general meeting, this may result in the re-election of the Board.

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

### **4.2 Board recommendation**

Resolution 1 is an ordinary resolution.

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

## **5. Resolution 2 – Re-election of Director – Mr Stephen Hunt**

### **5.1 General**

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

Clause 7.2(b) of the Constitution provides that a Director who retires in accordance with Clause 7.2(b) is eligible for re-election.

Executive Chairman and Director, Mr Hunt was elected at the general meeting held on 26 October 2020. Accordingly, Mr Hunt retires at this Meeting and, being eligible, seeks re-election pursuant to Resolution 2.

### **5.2 Stephen Hunt**

BBus. (Marketing), MAICD

Mr Hunt has over 17 years' experience as a Director of ASX listed companies. Mr Hunt is currently a non-executive director of 5E Advanced Materials, Inc. (Nasdaq: FEAM) (ASX:5EA). Previous directorships include Executive Chairman and Non Executive Director of Volt Resources Ltd (ASX: VRC), Magnis Resources Ltd (ASX:MNS), IMX Resources Ltd (now Indiana Resources Limited) and Australian Zircon Ltd.

If re-elected, Mr Hunt is not considered to be an independent Director, as Mr Hunt is an executive of the Company.

### **5.3 Board Recommendation**

The Board (other than Mr Hunt who has a personal interest in the outcome of this Resolution) supports the election of Mr Hunt for the following reasons:

Mr Hunt's experience in equity capital markets and corporate advisory are complimentary and valuable to the Board's existing skills and experience.

On the basis of Mr Hunt's skills, qualifications and experience and his continued contributions to the Board's activities since the Company's re-compliance listing in 2020, the Board (other than Mr Hunt) recommends Shareholders vote in favour of the re-election of Mr Hunt.

### **5.4 Additional Information**

Resolution 2 is an ordinary resolution.

The Board (other than Mr Hunt) strongly support the re-election of Mr Hunt and recommends that Shareholders vote in favour of Resolution 2.

## **6. Resolution 3 – Election of Director – Stephanie Moroz**

### **6.1 Article 7.6.(a) of the Constitution provides that the Directors may at any time appoint any**

person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors.

Article 7.6(b) of the Constitution and Listing Rule 14.4 both provide that a Director appointed under 7.6.(a) must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

Article 7.6(c) of the Constitution provides a Director appointed under article 7.6(a) holds office until the conclusion of the next annual general meeting of the Company but is eligible for election at that meeting. Accordingly, Stephanie Moroz, a Director appointed on 2 March 2022, retires at this Meeting and, being eligible and offering herself for election, seeks election pursuant to Resolution 3.

## **6.2 Stephanie Moroz**

Ms Moroz holds a Bachelor of Applied Science in Engineering Physics, a Graduate Diploma in Energy and Carbon Studies and a Master of Business. Ms Moroz has over 25 years' experience and global industry expertise in hydrogen, batteries, nano-materials and combustion engines (petrol, diesel, biofuels, synthetic fuels). Following an international corporate career in automotive manufacturing, Ms Moroz led two materials technology companies through high growth periods, including multi-million dollar capital raises.

Ms Stephanie Moroz does not currently hold any other material directorships, other than as disclosed in this Notice.

The Company confirms that it took appropriate checks into Ms Stephanie Moroz's background and experience and that these checks did not identify any information of concern.

If elected, Ms Stephanie Moroz is considered by the Board (with Ms Stephanie Moroz abstaining) to be an independent Director. Ms Stephanie Moroz is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Ms Stephanie Moroz has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a Director.

## **6.3 Board recommendation**

The Board (other than Ms Stephanie Moroz who has a personal interest in the outcome of this Resolution) supports the election of Ms Stephanie Moroz for the following reasons:

- (a) Ms Moroz is a recognised expert in materials and energy technologies from research and development through to commercialisation;
- (b) Ms Moroz has extensive track record of developing collaborations in Europe, North America and Asia with industry, government and research institutions; and
- (c) In her previous roles, Ms Moroz demonstrated a high level of requisite corporate leadership and is expected to make a valuable contribution to the Board.

## 6.4 Additional information

Resolution 3 is an ordinary resolution.

The Board (other than Ms Stephanie Moroz who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of this Resolution.

## 7. Resolution 4 – Approval of 10% Placement Facility (LR 7.1A)

### 7.1 General

Listing Rule 7.1A enables an eligible entity 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% annual placement capacity under Listing Rule 7.1.

Resolution 4 seeks Shareholder approval to provide the Company with the ability to issue Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 7.2(f) below). The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval in Listing Rule 7.1.

### 7.2 Listing Rule 7.1A

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

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

The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$66.89 million, based on the closing price of Shares (\$0.850) on 30 September 2022.

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

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

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

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

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

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

Where:

**A =** is the number of Shares on issue at the commencement of the Relevant Period:

- (A) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - (1) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (C) plus the number of fully paid Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - (1) the agreement was entered into before the commencement of the Relevant Period; or
  - (2) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid Shares in the Relevant Period;
- (E) plus the number of fully paid Shares issued in the Relevant Period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the Relevant Period.

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

**D =** is 10%.

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

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

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

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

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph 7.2(e)(i) above, the date on which the Equity Securities are issued,

**(Minimum Issue Price).**

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

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

- (i) the date that is 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the 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),

**(10% Placement Period).**

**(g) What is the effect of Resolution 4?**

The effect of Resolution 4 will be to allow the Company to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without further Shareholder approval or using the Company's 15% annual placement capacity under Listing Rule 7.1.

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

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

(a) **Final date for issue**

The Company will only issue the Equity Securities under the 10% Placement Facility during the 10% Placement Period (refer to Section 7.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Facility, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (refer to Section 7.2(e) above).

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

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

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

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

Shareholders should note that there is a risk that:

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

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

If this Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares).

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (see Section 7.2(c) above) as at the date of this Notice (**Variable A**), with:

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



Shares (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.425 50% decrease in Current Market Price	\$0.850 Current Market Price	\$1.70 100% increase in Current Market Price
<b>79,636,793 Shares Variable A</b>	10% Voting Dilution	7,933,679 Shares	7,933,679 Shares	7,933,679 Shares
	Funds raised	\$3,371,813	\$6,743,627	\$13,487,254
<b>119,005,189 Shares 50% increase in Variable A</b>	10% Voting Dilution	11,900,518 Shares	11,900,518 Shares	11,900,518 Shares
	Funds raised	\$5,057,720	\$10,115,440	\$20,230,880
<b>158,673,586 Shares 100% increase in Variable A</b>	10% Voting Dilution	15,867,358 Shares	15,867,358 Shares	15,867,358 Shares
	Funds raised	\$6,743,627	\$13,487,254	\$26,974,508

**Notes:**

1. The table has been prepared on the following assumptions:
  - (a) The issue price is the current market price (\$0.850), being the closing price of the Shares on ASX on 30 September 2022, being the latest practicable date before this Notice was signed.
  - (b) Variable A comprises of 79,336,793 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with Shareholder approval under Listing Rule 7.1 and 7.4.
  - (c) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  - (d) No convertible securities (including any issued under the 10% Placement Facility) are exercised or converted into Shares before the date of the issue of the Equity Securities.
  - (e) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
2. The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.

The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

**(e) Allocation policy**

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

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

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

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

The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 30 November 2021.

The Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of this Notice.

**(g) Voting exclusion statement**

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

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

#### 7.4 Additional information

Resolution 4 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 4.

### 8. Resolution 5 – Modification of existing Constitution

#### 8.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 5 seeks the approval of Shareholders to modify the Company's existing Constitution.

The proposed modifications to the existing Constitution will incorporate recent amendments to the Corporations Act regarding the holding of meetings of Shareholders using virtual meeting technology.

The Directors believe that it is preferable in the circumstances to simply modify three provisions of the existing Constitution rather than repealing the entire existing Constitution and replacing it with a new constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A copy of the modified Constitution is available for review by Shareholders at the Company's website <https://sparctechnologies.com.au/> and at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary at [pmoffatt@northernstargroup.com.au](mailto:pmoffatt@northernstargroup.com.au). Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 5 is passed, the Company will adopt the modified Constitution with effect from the date this Resolution 5 is passed.

#### 8.2 Summary of material proposed changes

##### (a) Convening of Members' Meetings

The modifications provides for the ability of the Company to hold general meetings using virtual technology only, as well as physical or hybrid meetings. This improved flexibility is necessary to ensure the Company is able to hold general meetings at times where physical meetings may not be practicable (such as during pandemics).

Set out below are the proposed modifications to Article 5.2 of the existing Constitution:

##### **Prior to modification:**

*Convening a general meeting*

*(a) The Directors may convene and arrange to hold a general meeting of the Company whenever they think fit and must do so if required to do so under the Corporations Act.*

*(b) The Company may hold a meeting of Members at 2 or more venues using any technology that gives the Members as a whole a reasonable opportunity to participate.*

*(c) Notice of a general meeting must be given in accordance with article 14, the Corporations Act and the Listing Rules.*

*(d) In computing the period of notice under article 5.2(c), the day of the meeting is to be disregarded.*

*(e) A Director is entitled to receive notice of and to attend all general meetings and all separate meetings of the holders of any class of shares in the capital of the Company and is entitled to speak at those meetings.*

**After modification:**

*Convening a general meeting*

*(a) The Directors may convene and arrange to hold a general meeting of the Company whenever they think fit and must do so if required to do so under the Corporations Act.*

*(b) The Company may hold a meeting of Members at a time determined by the Directors:*

- 1. at one or more physical venues;*
- 2. at one or more physical venues and using virtual meeting technology; and*
- 3. using virtual meeting technology only,*

*provided that, in each case, Members as a whole are given a reasonable opportunity to participate in the meeting, and otherwise in the manner determined by the Directors.*

*(c) If the Directors elect to use virtual meeting technology for a general meeting of the Company, the Directors will determine the type of virtual meeting technology to be used, which may include any combination of telephone, video conferencing, messaging, smartphone application or any other audio and/or visual device which permits instantaneous communication.*

*(d) Notice of a general meeting must be given in accordance with article 14, the Corporations Act and the Listing Rules.*

*(e) In computing the period of notice under article 5.2(d), the day of the meeting is to be disregarded.*

*(f) A Director is entitled to receive notice of and to attend all general meetings and all separate meetings of the holders of any class of shares in the capital of the Company*

*and is entitled to speak at those meetings.*

### 8.3 Additional information

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

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

## 9. Resolution 6 – Approval of Employee Securities Incentive Plan

### 9.1 General

On 1 October 2022, amendments to the Corporations Act came into effect, simplifying the process for incentivising participants under employee share schemes (**ESS**). Division 1A has been introduced into Part 7.12 of the Corporations Act, providing a separate regime for the making of offers in connection with an ESS (**New Regime**). This regime replaced the current relief afforded by ASIC Class Order 14/1000 (**Class Order**), which commenced on 30 October 2014.

In order to ensure that the Company is afforded the relief provided by the New Regime, the Company considers it necessary to adopt a new ESS that makes reference to the New Regime and includes the changes that came into effect on 1 October 2022.

Resolution 6 seeks Shareholder approval for the adoption of the new ESS titled the 'Sparc Technologies Limited Employee Securities Incentive Plan' (**Plan**) in accordance with Listing Rule 7.2 exception 13(b), for the sole purpose of ensuring that the Company is afforded the relief provided by the New Regime.

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan, a summary of the key terms and conditions is in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

### 9.2 Key changes between the Class Order and New Regime

The following table summarises the key changes that are implemented by the New Regime for "Invitations" (within the meaning given in the Plan) made on or after 1 October 2022:

	Previous position under the Class Order	Position from 1 October 2022
Disclosure obligations	<p>The Class Order mandates certain information that must be provided to ESS participants.</p> <p>There is no difference between the disclosure requirements where ESS</p>	<p><b>If the offer of ESS Interests is for no monetary consideration:</b> There are no prescribed disclosure obligations, other than a statement</p>

	Interests are offered for monetary consideration or for no monetary consideration.	<p>that the offer is made under Division 1A.</p> <p><b>If the offer of ESS Interests is for monetary consideration:</b></p> <ul style="list-style-type: none"> <li>• Certain prescribed disclosure requirements apply. These disclosure requirements are similar (although different) to the current disclosure requirements under the Class Order.</li> <li>• The participant cannot acquire the ESS Interests until 14 days after receiving the above disclosure. This mandates a waiting period ensuring a participant has time to consider their decision and seek legal financial advice.</li> <li>• Any associated trust, contribution plan and loan arrangement will need to comply with specified requirements.</li> </ul>
Eligible participants	<ul style="list-style-type: none"> <li>• Directors;</li> <li>• Full-time and part-time employees;</li> <li>• Casual employees and contractors, provided they work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the entity.</li> </ul>	<ul style="list-style-type: none"> <li>• Directors;</li> <li>• Full-time and part-time employees;</li> <li>• Any service providers to the entity (with no minimum requirement of hours of service provided);</li> <li>• Certain 'related persons' to the above.</li> </ul>
5% limit	The maximum number of ESS Interests that can be issued under the Class Order relief over a three-year period is 5% of the issued share capital.	<p><b>If the offer of ESS Interests is for no monetary consideration:</b> There is no limit on the number of such ESS Interests that may be issued.</p> <p><b>If the offer of ESS Interests is for monetary consideration:</b> The number of ESS Interests issued over a three-year period must not exceed 5% of the issued share capital. Entities may specify a different issue cap in their constitution.</p>

Quotation requirement	An entity's shares must have been quoted for three months before the Class Order relief is available.	Newly listed entities can offer ESS Interests under the new regime without any minimum quotation period. This will make it much simpler for newly listed entities to offer ESS Interests.
Suspension	For the Class Order relief to be available, the entity's shares must not have been suspended for more than 5 days over the previous 12 months.	The new regime permits an entity to offer ESS Interests regardless of any suspension to the trading of its shares.
On-sale relief	Relief is provided from the on-sale provisions for securities issued under the Class Order.	There is no equivalent relief under the new provisions. This means cleansing notices (or cleansing prospectuses for entities unable to rely on a cleansing notice) must be issued in order to ensure shares may be on-sold within 12 months of issue.
ASIC involvement	A 'Notice of Reliance' must be submitted to ASIC to rely on the Class Order relief.	<p>There are no ASIC lodgement requirements.</p> <p>ASIC has the power to require the provision of documents necessary in order to form an opinion about whether the regime has been complied with.</p> <p>ASIC has also been given express enforcement powers including the ability to issue 'stop orders'.</p>
Criminal offences	N/A	New ESS related criminal offences have been introduced regarding certain misleading or deceptive statements or omissions.

### 9.3 Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, Listing Rule 7.1 limits the ability of a listed entity from issuing or agreeing to issue Equity Securities over a 12 month period which exceeds 15% of the number of fully paid ordinary Shares it had on issue at the start of the 12 month period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the Plan from those set out in this Notice in Schedule 2.

If Resolution 6 is passed, the Company will be able to issue up to a maximum of 7,933,679 Equity Securities under the Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

If Resolution 6 is not passed, any issue of Equity Securities pursuant to the Plan will be made either with Shareholder approval or, in default of Shareholder approval, pursuant to the Company's placement capacity under either or both Listing Rules 7.1 and 7.1A.

#### 9.4 **Specific information required by Listing Rule 7.2, exception 13(b)**

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) A summary of the material terms of the Plan is in Schedule 2.
- (b) As at the date of this Notice, no Equity Securities have been issued under the Plan.
- (c) The Company obtained Shareholder approval for its existing employee securities incentive plan under Listing Rule 7.2, exception 13(b) at its general meeting held on 30 November 2021 (**Existing Plan**). Since that date, the Company has not issued any Equity Securities under the Existing Plan:
- (d) The maximum number of Equity Securities proposed to be issued under the Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 6 is 7,933,679 (subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules). This number comprises approximately 10% of the Company's Equity Securities currently on issue. The maximum number of Equity Securities is not intended to be a prediction of the actual number to be issued under the Plan but is specified for the purpose of setting a ceiling in accordance with Listing Rule 7.2 exception 13(b). It is not envisaged that the maximum number of Equity Securities for which approval is obtained will be issued immediately.
- (e) A voting exclusion statement is included in the Notice.

#### 9.5 **Additional information**

Resolution 6 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 6 due to their personal interests in the outcome of the Resolution.

### 10. **Resolution 7 – Approval of potential termination benefits under the Plan**

#### 10.1 **General**

The Corporations Act contains certain limitations concerning the payment of 'termination



benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

If Resolution 7 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the Plan.

## 10.2 **Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 6, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

As noted above, under the terms of the Plan and subject to the Listing Rules, the Board possesses the discretion to vary the terms or conditions of the Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

## 10.3 **Valuation of the termination benefits**

Provided Shareholder approval is given, the value of the termination benefits may be

disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

#### 10.4 **Additional information**

Resolution 7 is conditional on the passing of Resolution 6.

If Resolution 6 is not approved at the Meeting, Resolution 7 will not be put to the Meeting. Resolution 7 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 7 due to their potential personal interests in the outcome of the Resolution.

### 11. **Resolution 8 – Ratification of prior issue of Shares to Corporate Adviser**

#### 11.1 **General**

Pursuant to a corporate services agreement dated 19 May 2021 the Company engaged Westar Capital Limited (**Westar**) to provide corporate advisory services to the company (**Westar Mandate**). Under the terms of the Westar Mandate Westar agreed to corporate advisory services to the Company (**Services**).

In consideration for the provision of the Services, Westar is entitled to payment of an advisory fee (**Advisory Fee**).

On 6 May 2022 and 3 June 2022, the Company made payment in respect of the outstanding Advisory Fees by way of two share issuances corresponding with the Invoices as follows:

- (a) 57,939 Shares in lieu of the \$60,000 payment due to Westar under the September 2021 to February 2022 Invoice; and
- (b) 39,749 Shares in lieu of the \$30,000 payment due to Westar under the February to May 2022 Invoice,

(the **Westar Shares**)

The Westar Shares were issued using the Company's placement capacity under Listing Rule 7.1.

Resolution 8 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Westar Shares.

## **11.2 Listing Rules 7.1 and 7.4**

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 shares it had on issue at the start of that period.

The issue of the Westar Shares does not fit within any of the exceptions to Listing Rules 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under those Listing Rules for the 12 month period following the issue of the Westar Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 (and provided that the previous issue did not breach Listing Rules 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1.

The effect of Shareholders passing Resolution 8 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 8 is passed, the Westar Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 8 is not passed, the Westar Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 97,688 Equity Securities for the 12 month period following the issue of those Westar Shares.

## **11.3 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Westar Shares:

- (a) The Westar Shares were issued to Westar, a sophisticated investor. Westar is not a related party or Material Investor of the Company.
- (b) A total of 97,688 Westar Shares were issued as follows:
  - (i) 57,939 Shares in lieu of the \$60,000 payment due to Westar under the September 2021 to February 2022 Invoice; and
  - (i) 39,749 Shares in lieu of the \$30,000 payment due to Westar under the February to May 2022 Invoice.

- (c) The Westar Shares were issued using the Company's placement capacity under Listing Rule 7.1.
- (d) The Westar 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.
- (e) The Westar Shares were issued on 6 May 2022 and 3 June 2022.
- (f) The Westar Shares were issued for nil cash consideration as they constitute consideration for Services pursuant to the Westar Mandate. Accordingly, no funds will be raised by their issue.
- (g) The material terms to Westar Mandate are set out in Section 11.1.
- (h) A voting exclusion statement is included in the Notice.

#### 11.4 **Additional information**

Resolution 8 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 8.

## 12. **Resolution 9 – Ratification of prior issue of 3,000,000 to UoA and Flinders University**

### 12.1 **General**

On 3 February 2022 the Company announced that it had issued 3,000,000 Shares to University of Adelaide (**UoA**) through Innovation and Commercial Partners Pty Ltd (**ICP**) and Flinders University (Flinders Partners Pty Ltd) (**Flinders University**) comprising 2,721,000 and 279,000 Shares respectively (**UoA Shares**). The UoA Shares were issued pursuant to the terms of a subscription agreement (**Subscription Agreement**) entered into amongst the Company, UoA, ICP and MIH2 Pty Ltd (**MIH2**). The issue of the UoA Shares was conducted in the context of a broader joint venture arrangement made amongst the Company, UoA and Fortescue Future Industries and a research agreement between UoA and the Company (the **Research Agreement**).

On 3 February 2022, the Company issued the UoA Shares using the Company's placement capacity under Listing Rule 7.1.

Resolution 9 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the UoA Shares.

### 12.2 **Listing Rules 7.1 and 7.4**

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 shares it had on issue at the start of that period.

The issue of the UoA Shares does not fit within any of the exceptions to Listing Rules 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under those Listing Rules for the 12 month period following the issue of the UoA Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 9 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 9 is passed, the UoA Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 9 is not passed, the UoA Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 3,000,000 Equity Securities for the 12 month period following the issue of those UoA Shares.

### 12.3 **Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the UoA Shares:

- (a) The UoA Shares were issued to UoA and Flinders University, neither of which is a related party or Material Investor of the Company.
- (b) A total of 3,000,000 UoA Shares were issued using the Company's placement capacity under Listing Rule 7.1;
- (c) The UoA 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.
- (d) The UoA Shares were issued on 3 February 2022.
- (e) The UoA Shares were issued for nil cash consideration under the terms of the Subscription Agreement. Accordingly, no funds will be raised by their issue.
- (f) The material terms to Subscription Agreement pursuant to which the UoA Shares were issued are set out in Section 12.1.
- (g) A voting exclusion statement is included in the Notice.

### 12.4 **Additional information**

Resolution 9 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 9.

### **13. Resolution 10 – Ratification of prior issue 1,000,000 Unquoted Options to Ms Stephanie Moroz**

#### **13.1 General**

On 3 March 2022, the Company announced had issued 1,000,000 unquoted options exercisable at \$1.20 on or before 28 February 2026 to Ms Stephanie Moroz under the terms of a director appointment agreement (**Options**).

The Options were issued in reliance on Listing Rule 10.12 Exception 12, as at the time the Options were agreed Ms Moroz was not a Director of the Company.

The Company issued the Options using the Company's placement capacity under Listing Rule 7.1.

Resolution 10 seeks Shareholder approval pursuant to Listing Rule 7.4 to ratify the issue of the Options.

#### **13.2 Listing Rules 7.1 and 7.4**

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 shares it had on issue at the start of that period.

The issue of the Options does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's 15% placement capacity under Listing Rule 7.1 and 10% placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under those Listing Rules for the 12 month period following the issue of the Options.

Listing Rule 7.4 provides an exception to Listing Rules 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rules 7.1 (and provided that the previous issue did not breach Listing Rules 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rules 7.1.

The effect of Shareholders passing Resolution 10 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

If Resolution 10 is passed, 1,000,000 Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 10 is not passed, 1,000,000 Options will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 1,000,000 Equity Securities for the 12 month period following the issue of the Options.

#### **13.3 Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Options:

- (a) The Options were issued to Ms Stephanie Moroz.
- (b) A total of 1,000,000 Options were issued with the Company's placement capacity permitted under Listing Rule 7.1.
- (c) The Options are exercisable at \$1.20 on or before 28 February 2022 and otherwise subject to the terms and conditions in Schedule 3.
- (d) The Options were issued on 3 March 2022.
- (e) The Options were issued under the terms of the director appointment agreement.
- (f) There are no other material terms to the agreement for the subscription of the Options.
- (g) A voting exclusion statement is included in the Notice.

#### 13.4 **Additional information**

Resolution 10 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 10.

## Schedule 1      Definitions

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

<b>\$</b>	means Australian Dollars.
<b>10% Placement Facility</b>	has the meaning given in Section 7.1.
<b>10% Placement Period</b>	has the meaning given in Section 7.2(f).
<b>ACDT</b>	means Australian Central Daylight Time
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2022.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Auditor's Report</b>	means the auditor's report on the Financial Report.
<b>Board</b>	means the board of Directors.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Class Order</b>	means ASIC Class Order 14/1000.
<b>Closely Related Party</b>	means:  (a) a spouse or child of the member; or  (b) has the meaning given in section 9 of the Corporations Act.
<b>Company</b>	means Sparc Technologies Limited (ACN 009 092 068).
<b>Completion</b>	means completion of the Acquisition.
<b>Constitution</b>	means the constitution of the Company as at the date of the Meeting.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth) as amended or modified from time to time.
<b>Director</b>	means a director of the Company.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>ESS</b>	means employee share scheme.
<b>ESS Interest</b>	has the meaning given in section 1100M of the Corporations Act.
<b>Existing Plan</b>	has the meaning given in Section 9.4(c).



<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
<b>Listing Rules</b>	means the listing rules of ASX.
<b>Material Investor</b>	means in relation to the Company: <ul style="list-style-type: none"> <li>(a) a related party;</li> <li>(b) Key Management Personnel;</li> <li>(c) a substantial Shareholder;</li> <li>(d) an advisor; or</li> <li>(e) an associate of the above,</li> </ul> who received Shares which constituted more than 1% of the Company's issued capital at the time of issue.
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>New Regime</b>	has the meaning given in Section 9.1.
<b>Notice</b>	means this notice of annual general meeting.
<b>Option</b>	means an option to acquire a Share.
<b>Plan</b>	means the 'Sparc Technologies Limited Employee Securities Incentive Plan'.
<b>Plan Securities</b>	has the meaning given in Section 10.1.
<b>Proxy Form</b>	means the proxy form attached to the Notice.
<b>Remuneration Report</b>	means the remuneration report of the Company contained in the Directors' Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a Section of this Notice.
<b>Securities</b>	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).

<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Subscription Agreement</b>	means the subscription agreement set out in Section 12.1.
<b>Strike</b>	has the meaning given in Section 4.1.
<b>UoA</b>	has the meaning given in Section 12.1.
<b>UoA Shares</b>	has the meaning given in Section 12.1.
<b>Westar</b>	has the meaning given in Section 11.1.
<b>Westar Mandate</b>	has the meaning given in Section 11.1.
<b>Westar Shares</b>	has the meaning given in Section 11.1.

## Schedule 2 Summary of employee securities incentive plan

A summary of the terms of the Plan is set out below:

- (a) **(Eligible Participant):** Eligible Participant means a person that has been determined by the Board to be eligible to participate in the Plan from time to time and is an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:
- (i) an employee or director of the Company or an individual who provides services to the Company;
  - (ii) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
  - (iii) a prospective person to whom paragraphs (i) or (ii) apply;
  - (iv) a person prescribed by the relevant regulations for such purposes; or
  - (v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).

- (b) **(Maximum allocation)** The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (i) the total number of Plan Shares (as defined in paragraph (m) below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 will be as approved by Shareholders from time to time (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.

The Company will require prior Shareholder approval for the acquisition of equity securities under the Plan to Directors, their associates and any other person whose relationship with the Company or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.

- (c) **(Purpose):** The purpose of the Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and
- (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

- (d) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.
- (e) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

- (f) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (g) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

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

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

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

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

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

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

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

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
  - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
- (n) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
- (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

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

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

- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (q) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (r) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

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

## Schedule 3      Terms and conditions of Options

The terms and conditions of the Options are as follows:

1.     **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2.     **(Expiry Date):** Each Option will expire on 28 February 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3.     **(Exercise Period):** The Options will vest from the date of issue and are exercisable at any time on or prior to the Expiry Date.
4.     **(Exercise Price):** Subject to paragraph 20, the amount payable upon exercise of each Option will be \$1.20 (**Exercise Price**).
5.     **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (Notice of Exercise) and, if applicable, payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
6.     Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and, if applicable, the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
7.     **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.
8.     **(Transferability):** The Options are not transferable.
9.     **(Timing of issue of Shares on exercise):** Within 5 Business Days after the Exercise Date, the Company will, subject to paragraphs 9 and 13:
  - (a)     issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which, if applicable, cleared funds have been received by the Company;
  - (b)     if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act.
10.    **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
11.    **(Timing of application for quotation)** If admitted to the official list of ASX at the time, the Company must apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options within 10 Business Days of the end of the quarter in which the exercise occurred, or within such other time period required by the Listing Rules.
12.    **(Shares issued on exercise):** Shares issued on exercise of the Options rank equally with the then issued shares of the Company.
13.    **(Cashless exercise of Options):** The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder

that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

14. **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.
15. **(Takeovers prohibition):**
  - (a) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
  - (b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.
16. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
17. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
18. **(Entitlement to dividends):** The Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Options without exercising the Options.
19. **(Entitlement to capital return):** The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of the Company upon a winding up, in each case, during the currency of the Options without exercising the Options.
20. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
21. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
  - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
  - (b) no change will be made to the Exercise Price.
22. **(Voting rights):** The Options do not confer any right to vote at meetings of members of the Company, except as required by law, during the currency of the Options without first exercising the Options.
23. **(Plan):** The Options are issued pursuant to and are subject to the New Plan. In the event of conflict between a provision of these terms and conditions and the New Plan, these terms and conditions prevail to the extent of that conflict.



24. **(Constitution):** Upon the issue of Shares on exercise of the Options, the holder agrees to be bound by the Company's constitution.

## LODGE YOUR VOTE



### ONLINE

<https://investorcentre.linkgroup.com>



### BY MAIL

Sparc 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: 03 9614 0600

Overseas: +61 3 9614 0600

## LODGE YOUR VOTE

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am (ACDT) on Sunday, 27 November 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

<https://investorcentre.linkgroup.com>

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 <https://investorcentre.linkgroup.com> 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 Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman 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 CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF 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 the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of 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).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

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 Sparc Technologies Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman 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 **11:00am (ACDT) on Tuesday, 29 November 2022 at 51 Rundle Street, Kent Town, South Australia** (the **Meeting**) and at any postponement or adjournment of the Meeting.

**Important for Resolution 1:** If the Chairman 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 Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### 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 Ratification of prior issue of 3,000,000 to UoA and Flinders University	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Stephen Hunt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Ratification of prior issue 1,000,000 Unquoted Options to Ms Stephanie Moroz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Stephanie Moroz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval of 10% Placement Facility (LR 7.1A)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Modification of existing Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval of Employee Securities Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval of potential termination benefits under the Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Ratification of prior issue of Shares to Corporate Adviser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or 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).

SPN PRX2201D