

## ANNUAL GENERAL MEETING – NOTICE AND PROXY FORM

Notice is hereby given that the Annual General Meeting of Pentanet Limited (**ASX:5GG, Pentanet or the Company**) will be held as a physical meeting at Level 20, 240 St Georges Terrace, Perth WA 6000 on Friday, 24 November 2023 at 1:00pm (AWST) (**Meeting**).

The Company is continuing to monitor the impact of the COVID-19 virus in Western Australia and following guidance from the Federal and State Governments. Having considered the current circumstances, at this stage the directors have made the decision that a physical meeting will be held. Accordingly, Shareholders will be able to attend the Meeting in person.

The Company will notify shareholders via the Company's website at [www.pentanet.com.au/investor-centre](http://www.pentanet.com.au/investor-centre) and the Company's ASX market announcement platform at [www.asx.com.au](http://www.asx.com.au) (**ASX:5GG**) if changing circumstances impact the planning or arrangement of the Meeting.

As permitted by the Corporations Act 2001 (**Cth**), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholder has made a valid election to receive documents in hard copy. Instead, the Notice of Meeting and accompanying Explanatory Statement (Meeting Materials) are being made available to shareholders electronically and can be viewed and downloaded from the Company's website at [www.pentanet.com.au/investor-centre](http://www.pentanet.com.au/investor-centre) or on the Company's ASX market announcement platform at [www.asx.com.au](http://www.asx.com.au) (ASX:5GG). If you have elected to receive notices by email, you will be notified by email. If you have not elected to receive notices by email, a copy of your Proxy Form will be posted to you, together with this letter.

Shareholders can submit any questions in advance of the Meeting by emailing them to [arron.canicais@pentanet.com.au](mailto:arron.canicais@pentanet.com.au) by no later than 5:00pm (AWST) on Friday, 17 November 2023. In order to be able to receive electronic communications from the Company in the future, please update your shareholder details online at [www.investor.automic.com.au/#/signup](http://www.investor.automic.com.au/#/signup) by either logging in or registering. You can find and complete your personalised Proxy Form on this website.

The Meeting Materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If you have any difficulties obtaining a copy of the Meeting Materials, please contact the Company Secretary via email [arron.canicais@pentanet.com.au](mailto:arron.canicais@pentanet.com.au) or phone (08) 9466 2672.

*This announcement has been authorised for release by the Managing Director of Pentanet Limited, Mr Stephen Cornish.*

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### FOR FURTHER INFORMATION, PLEASE CONTACT:

Mr. Stephen Cornish  
Managing Director

Mr. Arron Canicais  
Joint Company Secretary

Ms. Mart-Marie Derman  
Chief Financial Officer

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PENTANET LTD  
ACN 617 506 279



## NOTICE OF ANNUAL GENERAL MEETING

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

**Date and time:**

24 November 2023 at 1:00pm (AWST)

**Location:**

Level 20, 240 St Georges Terrace, Perth WA 6000

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

**Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary on (08) 9466 2672.**

**Shareholders are urged to vote by lodging the Proxy Form**

**Pentanet Limited**  
**ACN 617 506 279**

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders of Pentanet Limited will be held at Level 20, 240 St Georges Terrace, Perth WA 6000 on 24 November 2023 at 1:00pm (AWST).

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (AWST) on 22 November 2023.

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 the Schedule.

## Agenda

### 1 Annual Report

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

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

### 2 Resolutions

#### Resolution 1 – Remuneration Report

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

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

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

#### Resolution 2 – Election of Director - Dominic John O'Hanlon

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

*'That, in accordance with Article 7.6(c) of the Constitution, Listing Rule 14.4 and for all other*

*purposes, Dominic John O'Hanlon, a Director appointed on 6 October 2023, retires at this Meeting and, being eligible and offering himself for election, is elected as a Director, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 3 – Issue of LTI Performance Rights and LTI Options to Stephen Cornish**

To consider and, if thought fit, to pass, with or without amendment, each as a **separate** ordinary resolution:

*'That the issue of:*

- (a) *SC LTI Performance Rights to Stephen Cornish (or his nominee) and the acquisition of Shares by Stephen Cornish (or his nominee) upon the vesting and exercise of any such SC LTI Performance Rights, in accordance with the Plan, is approved for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes; and*
- (b) *SC LTI Options to Stephen Cornish (or his nominee) and the acquisition of Shares by Stephen Cornish (or his nominee) upon the vesting and exercise of any such SC LTI Options, in accordance with the Plan, is approved for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes,*

*on the terms and conditions set out in the Explanatory Memorandum.'*

### **Resolution 4 – Issue of LTI Performance Rights and LTI Options to Timothy Cornish**

To consider and, if thought fit, to pass, with or without amendment, each as a **separate** ordinary resolution:

*'That the issue of:*

- (a) *TC LTI Performance Rights to Timothy Cornish (or his nominee) and the acquisition of Shares by Timothy Cornish (or his nominee) upon the vesting and exercise of any such TC LTI Performance Rights, in accordance with the Plan, is approved for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes; and*
- (b) *TC LTI Options to Timothy Cornish (or his nominee) and the acquisition of Shares by Timothy Cornish (or his nominee) upon the vesting and exercise of any such TC LTI Options, in accordance with the Plan, is approved for the purposes of sections 200B and 200E of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes,*

*on the terms and conditions set out in the Explanatory Memorandum.'*

## **Resolution 5 – Issue of Options to Dominic John O'Hanlon**

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

*'That, subject to Resolution 2 being passed, the issue of 1,000,000 Options to Dominic John O'Hanlon (or his nominee) and the acquisition of Shares by Dominic John O'Hanlon (or his nominee) upon the exercise of any such Options, in accordance with the Plan, is approved for the purposes of ASX Listing Rule 10.14 and for all other purposes, on the terms and conditions set out in the Explanatory Memorandum.'*

## **Resolution 6 – Ratification of prior issue of Shares under Placement**

To consider and, if thought fit, to pass, with or without amendment, each as a **separate** ordinary resolution:

*'That the issue of:*

- (a) 44,371,606 Placement Shares under Listing Rule 7.1; and
- (b) 29,581,071 Placement Shares under Listing Rule 7.1A,

*at \$0.083 per Share to raise an aggregate total of approximately \$6.1 million (before costs) is approved under and for the purposes of Listing Rule 7.4 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 7 – Renewed approval of Employee Incentive Scheme - Pentanet Limited Employee Securities Incentive Plan**

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

*'That the existing employee incentive scheme of the Company known as the 'Pentanet Limited Employee Securities Incentive Plan' and the issue of Securities under that plan are approved under and for the purposes of exception 13(b) of Listing Rule 7.2 and for all other purposes, on the terms and conditions in the Explanatory Memorandum.'*

## **Resolution 8 – Approval of 10% Placement Facility**

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

*'That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities 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 9 – Amendment to the Constitution

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

*'That the modification of the Constitution to re-insert the proportional takeover bid approval provisions contained in Schedule 5 of the Constitution for a period of three years from the date of approval of this Resolution and to make the amendments contained in the document tabled at the Meeting and signed by the Chair for the purposes of identification, is approved under and for the purposes of sections 648G(4) and 136(2) of the Corporations Act and for all other purposes, with effect from the close of the Meeting.'*

### Voting exclusions

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

- (a) Resolution 3(a), 3(b), 4(a),4(b) and 5 by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question, or any of their respective associates;
- (b) Resolution 6(a) and 6(b) by or on behalf of any person who participated in the issue of the Placement Shares, or any of their respective associates;
- (c) Resolution 7 by or on behalf of a person who is eligible to participate in the employee incentive scheme, or any of their respective associates; and
- (d) Resolution 8 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 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 this Resolution must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

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

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

**Resolutions 3(a), 3(b), 4(a), 4(b) and 5:** 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 these Resolutions 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.

Further, in accordance with section 200E(2A) of the Corporations Act, a vote on:

- (a) Resolution 3(a) must not be cast (in any capacity) by or on behalf of Stephen Cornish (and his nominees) or any of their respective associates;
- (b) Resolution 3(b) must not be cast (in any capacity) by or on behalf of Stephen Cornish (and his nominees) or any of their respective associates;
- (c) Resolution 4(a) must not be cast (in any capacity) by or on behalf of Timothy Cornish (and his nominees) or any of their respective associates; and
- (d) Resolution 4(b) must not be cast (in any capacity) by or on behalf of Timothy Cornish (and his nominees) or any of their respective associates;.

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 relevant Director (or his respective nominees) or an associate of those persons.

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

**BY ORDER OF THE BOARD**

**Arron Canicais**  
Joint Company Secretary  
Pentanet Limited  
Dated: 25 October 2023



## **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 1:00pm (AWST) on 24 November 2023 at Level 20, 240 St Georges Terrace, Perth WA 6000.

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.

A Proxy Form is included with this Notice.

### **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 invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return 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 only vote on a poll;
- (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.

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

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 1, even though this Resolution is connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

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 Joint Company Secretary at [arron.canicais@pentanet.com.au](mailto:arron.canicais@pentanet.com.au) by 17 November 2023.

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, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2023.

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

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

- (a) discuss the Annual Report which is available online at:  
<https://pentanet.com.au/investor-centre/>;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

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

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

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

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

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

#### **4.1 General**

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out 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 section 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.

The Company's Remuneration Report did not receive a Strike at the 2022 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 2024 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 the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

## **5. Resolution 2 – Election of Director - Dominic John O'Hanlon**

### **5.1 General**

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

Pursuant to Article 7.6(c) of the Constitution, any Director so appointed holds office until the conclusion of the next annual general meeting of the Company but is eligible for election by Shareholders at that meeting.

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

On 6 October 2023, Dominic John O'Hanlon was appointed as a Non-Executive Director of the Company.

Accordingly, Mr O'Hanlon resigns as a Director at the Meeting and, being eligible, seeks

approval to be elected as a Director pursuant to Resolution 2.

## **5.2 Dominic John O'Hanlon**

Mr O'Hanlon is a well-known and successful technology entrepreneur, business executive, professional director, and investor with extensive experience and knowledge of the Information Technology industry built up over a career spanning over 30 years. He brings extensive domestic and global experience across the start-up and technology sectors to his role as a non-executive director.

Mr O'Hanlon is currently the non-executive chairperson of BikeExchange Limited (ASX:BEX). He was managing director and CEO of rhip Limited (ASX:RHP) for over seven years. During Mr O'Hanlon's time as CEO of RHP, the business grew sales from AUD \$74.5M to \$377.4M (26.6% CAGR) and EBITDA from AUD \$1.5M to \$16.6M (41% CAGR). RHP had approximately 600 staff across 10 countries.

Prior to RHP, Mr O'Hanlon had multiple technology build and scale experiences including as CEO of Haley Limited and as Chief Strategy Officer of MYOB.

Mr O'Hanlon is a Fellow of the Australasian Institute of Company Directors.

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

If elected, the Board considers Mr O'Hanlon to be an independent Director and is free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of his judgement.

## **5.3 Board recommendation**

Resolution 2 is an ordinary resolution.

The Board (other than Mr O'Hanlon who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of this Resolution.

## **6. Resolution 3 & 4 – Issue of LTI Performance Rights and LTI Options to Stephen Cornish and Timothy Cornish**

### **6.1 General**

Shareholder approval is sought for the issue of:

- (a) SC LTI Performance Rights to Stephen Cornish (or his nominee) and the acquisition of Shares by Stephen Cornish (or his nominee) upon the vesting and exercise of any such SC LTI Performance Rights, in accordance with the Plan (the subject of Resolution 7). These SC LTI Performance Rights are proposed to be issued to Stephen Cornish (or his nominee) as a long-term incentive under his remuneration package and are subject to the Vesting Conditions (as set out in Schedule 4);
- (b) SC LTI Options to Stephen Cornish (or his nominee) and the acquisition of Shares by Stephen Cornish (or his nominee) upon the vesting and exercise of any such SC LTI

Options, in accordance with the Plan (the subject of Resolution 7). These SC LTI Options are proposed to be issued to Stephen Cornish (or his nominee) as a long-term incentive under his remuneration package and are subject to the Vesting Conditions (as set out in Schedule 5);

- (c) TC LTI Performance Rights to Timothy Cornish (or his nominee) and the acquisition of Shares by Timothy Cornish (or his nominee) upon the vesting and exercise of any such TC LTI Performance Rights, in accordance with the Plan (the subject of Resolution 7). These TC LTI Performance Rights are proposed to be issued to Timothy Cornish (or his nominee) as a long-term incentive under his remuneration package and are subject to the Vesting Conditions (as set out in Schedule 4); and
- (d) TC LTI Options to Timothy Cornish (or his nominee) and the acquisition of Shares by Timothy Cornish (or his nominee) upon the vesting and exercise of any such TC LTI Options, in accordance with the Plan (the subject of Resolution 7). These TC LTI Options are proposed to be issued to Timothy Cornish (or his nominee) as a long-term incentive under his remuneration package and are subject to the Vesting Conditions (as set out in Schedule 5).

## 6.2 Listing Rule 10.14

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme:

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

unless it obtains the approval of its shareholders.

The proposed issue of the Performance Rights and Options to Stephen Cornish and Timothy Cornish falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Stephen Cornish and/or Timothy Cornish elects for their respective Performance Rights and Options to be granted to their respective nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

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

If:

- (a) Resolutions 3(a) and 3(b) are passed, the Company will be able to proceed with the issue of the SC LTI Performance Rights and SC LTI Options to Stephen Cornish and Stephen Cornish will be compensated accordingly based on Vesting Conditions set out in Schedule 4 and Schedule 5;
- (b) Resolutions 4(a) and 4(b) are passed, the Company will be able to proceed with the issue of the TC LTI Performance Rights and TC LTI Options to Timothy Cornish and

Timothy Cornish will be compensated accordingly based on Vesting Conditions set out in Schedule 4 and Schedule 5;

- (c) Resolution 3(a) or 3(b) is not passed, the Company will not be able to proceed with the issue of the SC LTI Performance Rights or SC LTI Options (as applicable) to Stephen Cornish and the Company will be required to negotiate and agree other satisfactory forms of compensation with Stephen Cornish;
- (d) Resolution 4(a) or 4(b) is not passed, the Company will not be able to proceed with the issue of the TC LTI Performance Rights or TC LTI Options (as applicable) to Timothy Cornish and the Company will be required to negotiate and agree other satisfactory forms of compensation with Timothy Cornish.

### 6.3 Specific information required by Listing Rule 10.15 - Stephen Cornish

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of SC LTI Performance Rights and SC LTI Options to Stephen Cornish:

- (a) the SC LTI Performance Rights and SC LTI Options will be issued under the Plan to Stephen Cornish (or his nominee);
- (b) Stephen Cornish is a related party of the Company by virtue of being a Managing Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the SC LTI Performance Rights or SC LTI Options are issued to a nominee of Stephen Cornish, that person will fall into the category stipulated by Listing Rule 10.14.2;
- (c) the number of SC LTI Performance Rights and SC LTI Options to be issued to Stephen Cornish (or his nominee) is calculated in accordance with the Formula;

#### *Illustrative Example – SC LTI Performance Rights*

The following illustrative example provides an indicative result on an award to Stephen Cornish based upon the Formula and defined Performance Right Vesting Conditions and clauses found in Schedule 4.

Based upon the valuations undertaken by an external valuer as at 3 October 2023, which will be revalued as at the date of the AGM in accordance with the Formula, it would be that Stephen Cornish is awarded 2,133,624 Performance Rights under the Plan. Based upon the assumption that all Vesting Conditions are met at the target performance outcome of 100% then 1,524,016 Performance Rights would vest in favour of Stephen Cornish based upon the following calculation and in accordance with the illustrative example:

Tranche	Weighting	Illustrative Quantity of Performance Rights Granted	Illustrative Performance Outcome	Performance Hurdle satisfied	Illustrative Outcome Quantity of Performance Rights Vested
1	30%	342,904	Pentanet Limited's ( <b>Company</b> ) consolidated group revenue for the year ending 30 June 2025 (as	Yes – 100% of target performance	228,602

			published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.		
1	20%	228,602	The Company's gaming segment revenue for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	152,402
1	30%	342,904	The Company's consolidated EBITDA for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	228,602
1	20%	152,402	The Company's minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2025 ( <b>FY25 Minimum Cash Balance Vesting Condition</b> ).	Yes – 100% of target performance	152,402
2	30%	342,904	Pentanet Limited's ( <b>Company</b> ) consolidated group revenue for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	228,602
2	20%	228,602	The Company's gaming segment revenue for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	152,402
2	30%	342,904	The Company's consolidated EBITDA for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	228,602
2	20%	152,402	The Company's minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2026 ( <b>FY26 Minimum Cash Balance Vesting Condition</b> ).	Yes – 100% of target performance	152,402
	100%	2,133,624			1,524,016



*Illustrative Example – SC LTI Options*

The following illustrative example provides an indicative result on an award to Stephen Cornish based upon the Formula and defined Option Vesting Conditions and clauses found in Schedule 5.

Based upon the valuations undertaken by an external valuer as at 3 October 2023, which will be revalued as at the date of the AGM in accordance with the Formula, it would be that Stephen Cornish is awarded 3,775,000 Options under the Plan. Based upon the assumption that all Vesting Conditions are met then 3,775,000 Options would vest in favour of Stephen Cornish based upon the following calculation and in accordance with the illustrative example:

Tranche	Weighting	Illustrative Quantity of Options Granted	Illustrative Performance Outcome	Performance Hurdle satisfied	Illustrative Outcome Quantity of Options Vested
1	33%	1,258,333	Options will vest on 30 June 2025, subject and conditional upon the holder being employed by Pentanet Limited ( <b>Company</b> ) as an Executive Director or Managing Director on that date.	Yes – 100% of target performance	1,258,333
2	66%	2,516,667	Options will vest on 30 June 2026, subject and conditional upon the holder being employed by Pentanet Limited ( <b>Company</b> ) as an Executive Director or Managing Director on that date.	Yes – 100% of target performance	2,516,667
	100%	3,775,000			3,775,000

- (d) the current total compensation package payable to Stephen Cornish as at the date of this Notice is set out below:
- (i) an annual salary of \$350,000 (plus superannuation);
  - (ii) a short-term incentive bonus with a maximum of \$105,000; and
  - (iii) the proposed issue of SC LTI Performance Rights and SC LTI Options;
- (e) Stephen Cornish has not previously been issued any securities under the Plan.
- (f) the SC LTI Performance Rights and SC LTI Options will be issued on the terms and conditions set out in Schedule 4 and Schedule 5 respectively. The Board considers that Performance Rights and Options, rather than Shares, are an appropriate form of incentive on the basis that:
- (i) SC LTI Performance Rights and SC LTI Options retain and reward Stephen Cornish for the achievement of non-financial, business objectives and financial objectives over the long term;

- (ii) Shareholders can readily ascertain and understand the Vesting Conditions which are required to be satisfied for the SC LTI Performance Rights and SC LTI Options to vest and the number of Shares to which they relate;
  - (iii) Stephen Cornish will only obtain the value of the SC LTI Performance Rights and SC LTI Options and exercise the SC LTI Performance Rights and SC LTI Options into Shares upon satisfaction of the relevant Vesting Conditions; and
  - (iv) SC LTI Performance Rights and SC LTI Options are simple to understand (i.e. each SC LTI Performance Right and each SC LTI Option is a right to one Share), likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives for successfully delivering long term objectives of the Company;
- (g) the Company has commissioned and prepared an independent valuation of the proposed SC LTI Performance Rights and SC LTI Options to Stephen Cornish, the details have been set out in Schedule 6. In summary, it concludes that the value of the SC LTI Performance Rights and SC LTI Options proposed to be granted to Stephen Cornish is \$91,442 and \$114,131 respectively;
  - (h) the SC LTI Performance Rights and SC LTI Options will be issued no later than three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
  - (i) the SC LTI Performance Rights and SC LTI Options will have an issue price of nil as they will be issued as part of Stephen Cornish's remuneration package;
  - (j) a summary of the material terms of the Plan is set out in Schedule 2;
  - (k) no loan will be provided to Stephen Cornish in relation to the issue of the SC LTI Performance Rights or SC LTI Options;
  - (l) details of any securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 3(a) and 3(b) are approved and who were not named in the Notice will not participate until approval is obtained under that rule; and
  - (m) a voting exclusion statement is included in the Notice.

#### **6.4 Specific information required by Listing Rule 10.15 - Timothy Cornish**

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of TC LTI Performance Rights and TC LTI Options to Timothy Cornish:

- (a) the TC LTI Performance Rights and TC LTI Options will be issued under the Plan to Timothy Cornish (or his nominee);
- (b) Timothy Cornish is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the TC LTI

Performance Rights or TC LTI Options are issued to a nominee of Timothy Cornish, that person will fall into the category stipulated by Listing Rule 10.14.2;

- (c) the number of TC LTI Performance Rights and TC LTI Options to be issued to Timothy Cornish (or his nominee) is calculated in accordance with the Formula;

*Illustrative Example – TC LTI Performance Rights*

The following illustrative example provides an indicative result on an award to Timothy Cornish based upon the Formula and defined Performance Right Vesting Conditions and clauses found in Schedule 4 - Performance Rights Terms and Conditions - Stephen Cornish and Timothy Cornish:

Based upon the valuations undertaken by an external valuer as at 3 October 2023, which will be revalued as at the date of the AGM in accordance with the Formula, it would be that Timothy Cornish is awarded 669,376 Performance Rights under the Plan. Based upon the assumption that all Vesting Conditions are met at the target performance outcome of 100% then 478,128 Performance Rights would vest in favour of Timothy Cornish based upon the following calculation and in accordance with the illustrative example:

Tranche	Weighting	Illustrative Quantity of Performance Rights Granted	Illustrative Performance Outcome	Performance Hurdle satisfied	Illustrative Outcome Quantity of Performance Rights Vested
1	30%	107,578	Pentanet Limited's ( <b>Company</b> ) consolidated group revenue for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	71,719
1	20%	71,719	The Company's gaming segment revenue for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	47,813
1	30%	107,578	The Company's consolidated EBITDA for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	71,719
1	20%	47,813	The Company's minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2025 ( <b>FY25</b>	Yes – 100% of target performance	47,813

			<b>Minimum Cash Balance Vesting Condition).</b>		
2	30%	107,578	Pentanet Limited's ( <b>Company</b> ) consolidated group revenue for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	71,719
2	20%	71,719	The Company's gaming segment revenue for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	47,813
2	30%	107,578	The Company's consolidated EBITDA for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	Yes – 100% of target performance	71,719
2	20%	47,813	The Company's minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2026 ( <b>FY26 Minimum Cash Balance Vesting Condition</b> ).	Yes – 100% of target performance	47,813
	100%	669,376			478,128

*Illustrative Example – TC LTI Options*

The following illustrative example provides an indicative result on an award to Timothy Cornish based upon the Formula and defined Option Vesting Conditions and clauses found in Schedule 5.

Based upon the valuations undertaken by an external valuer as at 3 October 2023, which will be revalued as at the date of the AGM in accordance with the Formula, it would be that Timothy Cornish is awarded 1,150,000 Options under the Plan. Based upon the assumption that all Vesting Conditions are met then 1,150,000 Options would vest in favour of Timothy Cornish based upon the following calculation and in accordance with the illustrative example:

Tranche	Weighting	Illustrative Quantity of Options Granted	Illustrative Performance Outcome	Performance Hurdle satisfied	Illustrative Outcome Quantity of Options Vested
1	33%	383,333	Options will vest on 30 June 2025, subject and conditional upon the holder being employed by Pentanet	Yes – 100% of target performance	383,333

			Limited ( <b>Company</b> ) as an Executive Director or Managing Director on that date.		
2	66%	766,667	Options will vest on 30 June 2026, subject and conditional upon the holder being employed by Pentanet Limited ( <b>Company</b> ) as an Executive Director or Managing Director on that date.	Yes – 100% of target performance	766,667
	100%	1,150,000			1,150,000

- (d) the current total compensation package payable to Timothy Cornish as at the date of this Notice is set out below:
- (i) an annual salary of \$191,250 (plus superannuation);
  - (ii) a short-term incentive bonus with a maximum of \$38,250; and
  - (iii) the proposed issue of TC LTI Performance Rights and TC LTI Options;
- (e) Timothy Cornish has not previously been issued any securities under the Plan.
- (f) the TC LTI Performance Rights and TC LTI Options will be issued on the terms and conditions set out in Schedule 4 and Schedule 5 respectively. The Board considers that Performance Rights and Options, rather than Shares, are an appropriate form of incentive on the basis that:
- (i) TC LTI Performance Rights and TC LTI Options retain and reward Timothy Cornish for the achievement of non-financial, business objectives and financial objectives over the long term;
  - (ii) Shareholders can readily ascertain and understand the Vesting Conditions which are required to be satisfied for the TC LTI Performance Rights and TC LTI Options to vest and the number of Shares to which they relate;
  - (iii) Timothy Cornish will only obtain the value of the TC LTI Performance Rights and TC LTI Options and exercise the TC LTI Performance Rights and TC LTI Options into Shares upon satisfaction of the relevant Vesting Conditions; and
  - (iv) TC LTI Performance Rights and TC LTI Options are simple to understand (i.e., each TC LTI Performance Right and each TC LTI Option is a right to one Share), likely to be highly valued by executives (and therefore retentive and incentivising) and are designed to attract, retain and reward quality executives for successfully delivering long term objectives of the Company;
- (g) the Company has commissioned and prepared an independent valuation of the proposed TC LTI Performance Rights and TC LTI Options to Timothy Cornish, the details have been set out in Schedule 6. In summary, it concludes that the value of the TC LTI Performance Rights and TC LTI Options proposed to be granted to Timothy Cornish is \$28,688 and \$34,768 respectively;

- (h) the TC LTI Performance Rights and TC LTI Options will be issued no later than three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (i) the TC LTI Performance Rights and TC LTI Options will have an issue price of nil as they will be issued as part of Timothy Cornish's remuneration package;
- (j) a summary of the material terms of the Plan is set out in Schedule 2;
- (k) no loan will be provided to Timothy Cornish in relation to the issue of the TC LTI Performance Rights or TC LTI Options;
- (l) details of any securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 4(a) and 4(b) are approved and who were not named in the Notice will not participate until approval is obtained under that rule; and
- (m) a voting exclusion statement is included in the Notice.

## **6.5 Sections 200B and 200E of the Corporations Act**

The Corporations Act broadly provides that the Company may only give a person a benefit in connection with their ceasing to hold a "managerial or executive office" in the Company or its related bodies corporate if such benefit is approved by Shareholders or an exemption applies (for example, where the benefit together with other benefits does not exceed the payment limits set out in the Corporations Act).

The term "benefit" in this context is broad and may include the accelerated vesting and exercise of Performance Rights and Options. The Plan provides that the Board has the discretion to determine that the Vesting Conditions attached to some or all of the Performance Rights and Options are waived and such Performance Rights vest and become capable of exercise early in certain specified "Special Circumstances", which include (among other things) upon the retirement, redundancy, death or total or permanent disability of Stephen Cornish and Timothy Cornish.

In addition, the Plan provides that the Vesting Conditions attached to Performance Rights and Options will be deemed to be automatically waived in the circumstances where a change of control occurs, such that all Performance Rights and Options will vest and become capable of exercise.

If the Board were to exercise its discretion to waive the Vesting Conditions applying to some or all of the Performance Rights or Options and make such Performance Rights or Options vest and become capable of exercise early in the circumstances where a holder that holds a managerial or executive office (or did hold such an office in the previous three years) ceases employment (by retirement redundancy, death or total or permanent disability), this may amount to the giving of a termination benefit requiring Shareholder approval in accordance with the Corporations Act. Accordingly, Shareholder approval is also being sought for any such benefit which Stephen Cornish and Timothy Cornish may receive if the Board exercises such discretion and the vesting and exercise of their Performance Rights and Options is accelerated.

If Shareholders approve:

- (a) Resolution 3(a), the SC LTI Performance Rights may vest and be exercised on the cessation of Stephen Cornish's employment arrangement; and
- (b) Resolution 3(b), the SC LTI Options may vest and be exercised on the cessation of Stephen Cornish's employment arrangement.

If Shareholders approve:

- (c) Resolution 4(a), the TC LTI Performance Rights may vest and be exercised on the cessation of Timothy Cornish's employment arrangement; and
- (d) Resolution 4(b), the TC LTI Options may vest and be exercised on the cessation of Timothy Cornish's employment arrangement.

For Performance Rights and Options, the value of the benefit given upon accelerated vesting and exercise will depend on the price of the Company's shares at the time of vesting and exercise, and the number of Performance Rights and Options that vest and are exercised. Apart from the future price of Shares being unknown, a number of factors could impact the number of Performance Rights and Options which vest and become capable of exercise on cessation of Stephen Cornish's and Timothy Cornish's respective employment arrangement. Accordingly, the value of the benefit given upon accelerated vesting and exercise cannot be calculated at the present time. The following matters will or may affect (as the case may be) the value of the benefit, as they will or may affect (as the case may be) the number of Performance Rights and Options which vest and become capable of exercise on cessation of the abovementioned employment arrangements with the Company:

- (a) the number of unvested Performance Rights and Options held by Stephen Cornish (or his nominee) or Timothy Cornish (or his nominee) prior to the cessation of such arrangements;
- (b) the timing and reasons for cessation of such arrangements; and
- (c) the exercise of the Board's discretion at the relevant time.

## **6.6 Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of the Performance Rights and Options constitutes giving a financial benefit and each of Stephen Cornish and Timothy Cornish is a related party of the Company by virtue of being Directors.

It is the view of David Buckingham and Dalton Gooding (the Directors without a material personal interest in Resolutions 3(a), 3(b), 4(a) and 4(b)) that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Performance Rights and Options due to the exception in section 210 of the Corporations Act as the agreement to issue the Performance Rights and Options, reached as part of the respective remuneration package for Stephen Cornish and Timothy Cornish, is on arm's length terms and reasonable given the Company's circumstances.

## **6.7 Board recommendation**

The Board (other than Stephen Cornish given his interest in the outcome of Resolutions 3(a) and 3(b), and Timothy Cornish given his interest in the outcome of Resolutions 4(a) and 4(b)) has considered the corporate governance issues relevant to executive compensation arrangements, including the ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations" and has formed the view that the issue of the Performance Rights and Options to Stephen Cornish and Timothy Cornish on the terms and conditions set out in this Explanatory Memorandum are reasonable, that the value and quantum of the Performance Rights and Options are not excessive nor unusual for a company of the Company's size in light of recent market practice of compensation for officers in similar positions and Stephen Cornish's and Timothy Cornish's importance to the ongoing business operations of the Company.

The Board (other than Stephen Cornish given his interest in the outcome of Resolutions 3(a) and 3(b), and Timothy Cornish given his interest in the outcome of Resolutions 4(a) and 4(b)) recommend that Shareholders vote in favour of Resolutions 3(a), 3(b), 4(a) and 4(b).

## **7. Resolution 5 – Issue of Options to Dominic John O'Hanlon**

### **7.1 General**

Shareholder approval is sought for the issue of 1,000,000 Options to Dominic John O'Hanlon (or his nominee) and the acquisition of Shares by Dominic John O'Hanlon (or his nominee) upon the exercise of any such Options, in accordance with the Plan (the subject of Resolution 7). These Options are proposed to be issued to Dominic John O'Hanlon (or his nominee) as a long-term incentive under his remuneration package and are subject to the terms and conditions set out in Schedule 5 and Resolution 2 being passed.

### **7.2 Listing Rule 10.14**

A summary of Listing Rule 10.14 is contained in Section 6.2 above.

The proposed issue of the Options to Mr O'Hanlon falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if Mr O'Hanlon elects for the Options to be granted to their respective nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

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

If:



- (a) Resolution 5 is passed, the Company will be able to proceed with the issue of the Options to Mr O'Hanlon and Mr O'Hanlon will be compensated accordingly based on the terms and conditions set out in Schedule 5;
- (b) Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Options to Mr O'Hanlon and the Company will be required to negotiate and agree other satisfactory forms of compensation with Mr O'Hanlon.

### **7.3 Specific information required by Listing Rule 10.15 - Dominic John O'Hanlon**

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

- (a) the Options will be issued under the Plan to Mr O'Hanlon (or his nominee);
- (b) Mr O'Hanlon is a related party of the Company by virtue of being a Director and falls into the category stipulated by Listing Rule 10.14.1. In the event the Options are issued to a nominee of Mr O'Hanlon, that person will fall into the category stipulated by Listing Rule 10.14.2;
- (c) 1,000,000 Options are proposed to be issued to Mr O'Hanlon (or his nominee) under the Plan;
- (d) the current total compensation package payable to Mr O'Hanlon as at the date of this Notice is set out below:
  - (i) an annual salary of \$70,000 (plus superannuation);
  - (ii) the proposed issue of 1,000,000 Options;
- (e) no securities have been previously issued to Mr O'Hanlon under the Plan;
- (f) the Options will be issued on the terms and conditions set out in Schedule 5. The Board considers that Options, rather than Shares, are an appropriate form of incentive on the basis that:
  - (i) the Options retain Mr O'Hanlon;
  - (ii) Shareholders can readily ascertain and understand the terms and conditions which are required to be satisfied for the Options to be exercised and the number of Shares to which they relate;
  - (iii) Mr O'Hanlon will only obtain the value of the Options and exercise the Options into Shares upon satisfaction of the relevant terms and conditions; and
  - (iv) the Options are simple to understand (i.e., each Option is a right to one Share) and are designed to attract, retain and align Mr O'Hanlon to the long term objectives of the Company;
- (g) the Company has commissioned and prepared an independent valuation of the proposed Options to Mr O'Hanlon, the details have been set out in Schedule 6. In

summary, it concludes that the value of the Options proposed to be granted to Mr O'Hanlon is \$26,755;

- (h) the Options will be issued no later than three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (i) the Options will have an issue price of nil as they will be issued as part of Mr O'Hanlon's remuneration package;
- (j) a summary of the material terms of the Plan is set out in Schedule 2;
- (k) no loan will be provided to Mr O'Hanlon in relation to the issue of the Options;
- (l) details of any securities issued under the Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the Plan after Resolution 5 is approved and who were not named in the Notice will not participate until approval is obtained under that rule; and
- (m) a voting exclusion statement is included in the Notice.

## 7.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of the Options constitutes giving a financial benefit and Mr O'Hanlon is a related party of the Company by virtue of being a Director.

It is the view of David Buckingham, Dalton Gooding, Stephen Cornish and Timothy Cornish (the Directors without a material personal interest in Resolutions 5) that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Options due to the exception in section 210 of the Corporations Act as the agreement to issue the Options, reached as part of the remuneration package for Mr O'Hanlon, is on arm's length terms and reasonable given the Company's circumstances.

## 7.5 Board recommendation

The Board (other than Mr O'Hanlon given his interest in the outcome of Resolution 5) has considered the corporate governance issues relevant to executive compensation arrangements, including the ASX Corporate Governance Council's "Principles of Good Corporate Governance and Best Practice Recommendations" and has formed the view that the issue of the Options to Mr O'Hanlon on the terms and conditions set out in this Explanatory Memorandum are reasonable, that the value and quantum of the Options are not excessive nor unusual for a company of the Company's size in light of recent market practice of compensation for officers in similar positions and Mr O'Hanlon's importance to the ongoing business operations of the Company.

The Board (other than Mr O'Hanlon given his interest in the outcome of Resolution 5) recommend that Shareholders vote in favour of Resolution 5.

## 8. Resolution 6 – Ratification of prior issue of Shares under Placement

### 8.1 General

On 17 April 2023, the Company announced that it had received binding commitments for a placement to raise approximately \$6.1 million (before costs) (**Placement**) by the issue of Shares at \$0.083 each (**Placement Shares**) to sophisticated and professional investors (**Placement Participants**).

On 27 April 2023, the Company issued a total of 73,952,677 Placement Shares to Placement Participants using the Company's placement capacity under Listing Rules 7.1 and 7.1A, pursuant to the Placement.

Resolution 6(a) and Resolution 6(b) seek the approval of Shareholders to ratify the issue of

Placement Shares under and for the purposes of Listing Rule 7.4.

## **8.2 Listing Rules 7.1, 7.1A 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.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. The Company obtained this approval at its annual general meeting held on 16 November 2022.

The issue of Placement Shares 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 15% and 10% limits under each of Listing Rules 7.1 and 7.1A, reducing 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 Placement Shares.

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

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, the resolutions which form part of Resolution 6 seek Shareholder approval to the issue of 73,952,677 Placement Shares under and for the purposes of Listing Rule 7.4.

If the resolutions which form part of Resolution 6 are passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% and 10% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue of the Placement Shares.

In the event that Resolution 6(a) is not passed, 44,371,606 Placement Shares will 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 over the 12-month period following the issue of those Placement Shares.

In the event that Resolution 6(b) is not passed, 29,581,071 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, until the earlier of:

- (a) 16 November 2023;
- (b) the Company's next annual general meeting; or
- (c) the date Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2.

### 8.3 Specific information required by Listing Rule 7.5

Under and for the purposes of Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of Placement Shares:

- (a) the Placement Shares were issued to the Placement Participants, being sophisticated and professional investors to whom a disclosure document does not need to be provided under the Corporations Act, none of whom is a related party of the Company. Euroz Hartleys Limited and Shaw and Partners Limited acted as joint lead managers to the Placement (**Joint Lead Managers**). The Placement Participants are existing contacts of the Company (including existing Shareholders) and clients of the Joint Lead Managers. The Joint Lead Managers identified investors through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) a total of 73,952,677 Placement Shares were issued on 27 April 2023 as follows:
  - (i) 44,371,606 Placement Shares were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval; and
  - (ii) 29,581,071 Placement Shares were issued within the 10% limit permitted under Listing Rule 7.1A, without the need for Shareholder approval;
- (c) the Placement 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 Placement Shares were issued at \$0.083 per Share;
- (e) the proceeds from the issue of the Placement Shares are intended to be used towards upgrading existing tower sites with 5G infrastructure, ultimately contributing to the growth and expansion of the on-net run rate, as well as for costs of the Placement and general working capital;
- (f) there are no additional material terms with respect to the agreements for the issue of the Placement Shares; and
- (g) a voting exclusion statement is included in the Notice.

### 8.4 Board recommendation

Each of the resolutions which forms part of Resolution 6 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of each of the resolutions which forms part of Resolution 6.

## **9. Resolution 7 – Renewed approval of Employee Incentive Scheme - Pentanet Limited Employee Securities Incentive Plan**

### **9.1 General**

The Company considers that it is desirable to maintain an employee incentive scheme pursuant to which the Company can issue equity securities, including convertible securities and Shares, to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

Resolution 7 seeks Shareholders' renewed approval for the adoption of the employee incentive scheme titled 'Pentanet Limited Employee Securities Incentive Plan' (**Plan**) in accordance with Listing Rule 7.2, exception 13(b).

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 of which 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 Listing Rules 7.1 and 7.2, exception 13(b)**

A summary of Listing Rule 7.1 is contained in Section 8.2 above.

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.

If Resolution 7 is passed, the Company will be able to issue equity securities under the Plan to ESS Participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to issue equity securities under the Plan to ESS Participants without using 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 Shareholder approval over the 12-month period following any such issue.

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

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

Under and for the purposes of Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) the material terms of the Plan are summarised in Schedule 2;

- (b) upon the Company being admitted to the official list of ASX on 27 January 2021, 160,000 Shares and 1,560,000 Options were issued under the terms of the Plan and no securities have been issued under the Plan since then;
- (c) the maximum number of equity securities proposed to be issued under the Plan following approval of Resolution 7 is 40,332,421; and
- (d) a voting exclusion statement is included in the Notice.

#### **9.4 Board recommendation**

Resolution 7 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 7.

### **10. Resolution 8 – Approval of 10% Placement Facility**

#### **10.1 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 8 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 10.2(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 10.2(c) below).

If Resolution 8 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 8 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.

#### **10.2 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 \$19,807,542, based on the closing price of Shares (\$0.053) on 6 October 2023.

(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 on issue, being the Shares (**ASX Code: 5GG**).

(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 12-months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rules 7.1 or 7.4.

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

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

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

Any Equity Securities issued under Listing Rule 7.1A must be issued for a cash consideration per 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 10.2(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 8?**

The effect of Resolution 8 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.

### 10.3 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 10.2(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 10.2(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.

(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 8 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 10.2(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.

Share on issue (Variable A in Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	<b>\$0.0265</b> 50% decrease in Current Market Price	<b>\$0.0530</b> Current Market Price	<b>\$0.1060</b> 100% increase in Current Market Price
<b>299,774,536</b> Shares Variable A	10% Voting Dilution	29,977,454 Shares	29,977,454 Shares	29,977,454 Shares
	Funds raised	\$794,403	\$1,588,805	\$3,177,610
<b>449,661,804</b> Shares 50% increase in Variable A	10% Voting Dilution	44,966,180 Shares	44,966,180 Shares	44,966,180 Shares
	Funds raised	\$1,191,604	\$2,383,208	\$4,766,415
<b>599,549,072</b> Shares 100% increase in Variable A	10% Voting Dilution	59,954,907 Shares	59,954,907 Shares	59,954,907 Shares
	Funds raised	\$1,588,805	\$3,177,610	\$6,355,220

**Notes:**

1. The table has been prepared on the following assumptions:
  - (a) The issue price is the current market price (\$0.053), being the closing price of the Shares on ASX on 6 October 2023, being the latest practicable date before this Notice was signed.
  - (b) Variable A comprises of 295,774,536 Shares as calculated on 6 October 2023.
  - (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.

3. The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
5. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(e) **Allocation policy**

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

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of 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**

In the 12 months preceding the date of the Meeting and as at the date of this Notice, the Company has issued 29,581,071 Placement Shares under Listing Rule 7.1A. Under and for the purposes of Listing Rule 7.3A.6, the following information is provided in relation to such Placement Shares:

- (i) the Placement Shares were issued to the Placement Participants, being sophisticated and professional investors to whom a disclosure document does not need to be provided under the Corporations Act, none of whom is a related party of the Company;
- (ii) 29,581,071 Placement Shares were issued on 27 April 2023 under Listing Rule 7.1A. These Placement Shares represent 10% of the total number of Equity Securities on issue as at 15 November 2022 (295,810,713);
- (iii) the Placement 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;

- (iv) the Placement Shares were issued at \$0.083 per Share, representing a 17% discount to closing market price on the last traded price of Pentanet Shares on 12 April 2023;
- (v) the Placement Shares raised \$2,455,229, \$nil of which has been spent on upgrading existing tower sites with 5G infrastructure, ultimately contributing to the growth and expansion of the on-net run rate, as well as for costs of the Placement and general working capital and \$2,455,229 remains for upgrading existing tower sites with 5G infrastructure, ultimately contributing to the growth and expansion of the on-net run rate, as well as for costs of the Placement and general working capital;

(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.

## 10.4 Board recommendation

Resolution 8 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 8.

## 11. Resolution 9 – Amendment to the Constitution

### 11.1 General

The proportional takeover bid approval provisions contained in the Constitution (**PTBA Provisions**) enable the Company to refuse to register securities acquired under a proportional takeover bid unless a resolution is passed by Shareholders in general meeting approving the offer. Under the Corporations Act, proportional takeover provisions expire after three years from adoption or renewal and may then be renewed or re-inserted. The PTBA Provisions in the current Constitution expired on 14 September 2023 and will cease to apply on that date, unless renewed or re-inserted.

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 9 seeks the approval of Shareholders to modify the Constitution by re-inserting the PTBA Provisions for a further three years under section 648G(4) of the Corporations Act, amending article 5.2(b), amending article 1.1 and inserting new article 2.8 as set out in Section 11.5 below.

A copy of the amended constitution is available for review by Shareholders at the office of the Company. A copy of the amended constitution 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.

## **11.2 Information required by section 648G of the Corporations Act**

Pursuant to and in accordance with section 648G of the Corporations Act, the following information is provided in relation to the PTBA Provisions:

### **(a) What is a proportional takeover bid?**

A proportional off-market takeover bid (**PT Bid**) is a takeover offer sent to all Shareholders but only for a specified portion of each Shareholder's Securities. Accordingly, if a Shareholder accepts in full the offer under a PT Bid, it will dispose of the specified portion of its securities in the Company and retain the balance of the Securities.

### **(b) Effect of re-insertion**

If re-inserted, under Schedule 5 of the Constitution, if a PT Bid is made to Shareholders of the Company, the board of the Company is required to convene a meeting of Shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held at least 15 days before the offer under the PT Bid closes.

The resolution is taken to have been passed if a majority of Securities voted at the meeting, excluding the Securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on at least 15 days before the close of the PT Bid, the resolution is deemed to have been passed. Where the resolution approving the PT Bid is passed or deemed to have been passed, transfers of Securities resulting from accepting the PT Bid are registered provided they otherwise comply with the Corporations Act, the ASX Listing Rules, the ASX Operating Rules and the Constitution. If the resolution is rejected, then under the Corporations Act the PT Bid is deemed to be withdrawn.

The Directors consider that Shareholders should have the opportunity to re-insert the PTBA Provisions. Without the PTBA Provisions applying, a PT Bid for the Company may enable effective control of the Company to be acquired without Shareholders having the opportunity to dispose of all of their Securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their Securities whilst leaving themselves as part of a minority interest in the Company.

Without the PTBA Provisions, if there was a PT Bid and Shareholders considered that control of the Company was likely to pass, Shareholders would be placed under pressure to accept the PT Bid even if they did not want control of the Company to pass to the bidder. Re-inserting the PTBA Provisions will make this situation less likely by permitting Shareholders to decide whether a PT Bid should be permitted to proceed.

### **(c) No knowledge of present acquisition proposals**

As at the date of this notice, no Director is aware of a proposal by any person to acquire or increase the extent of a substantial interest in the Company.

(d) **Potential advantages and disadvantages**

The re-insertion of the PTBA Provisions will enable the Directors to formally ascertain the views of Shareholders about a PT Bid. Without these provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that re-insertion of the PTBA Provisions has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a PT Bid should be accepted.

The Directors consider that re-insertion the PTBA Provisions benefits all Shareholders in that they will have an opportunity to consider a PT Bid and then attend or be represented by proxy at a meeting of Shareholders called specifically to vote on the proposal. Accordingly, Shareholders are able to prevent a PT Bid proceeding if there is sufficient support for the proposition that control of the Company should not be permitted to pass under the PT Bid. Furthermore, knowing the view of Shareholders assists each individual Shareholder to assess the likely outcome of the PT Bid and whether to accept or reject that bid.

As to the possible disadvantages to Shareholders of re-inserting the PTBA Provisions, potentially, the proposal makes a PT Bid more difficult and PT Bids will therefore be discouraged. This may reduce the opportunities which Shareholders may have to sell all or some of their Securities at a premium to persons seeking control of the Company and may reduce any takeover speculation element in the Company's Share price. The PTBA Provisions may also be considered an additional restriction on the ability of individual Shareholders to deal freely on their Securities.

The Directors consider that there are no other advantages or disadvantages for Directors or Shareholders which arose during the period during which the PTBA Provisions were in effect, other than those discussed in this Section.

On balance, the directors consider that the possible advantages outweigh the possible disadvantages so that the re-insertion of the PTBA Provisions is in the interest of Shareholders.

### **11.3 Enactment of the *Corporations Amendments (Meetings and Documents) Act 2022 (Cth)***

The enactment of the *Corporations Amendment (Meetings and Documents) Act 2022 (Cth)* has made permanent amendments to the Corporations Act to allow companies (and registered schemes) to sign and provide general meeting related document electronically, and to use virtual meeting technology to hold general meetings (i.e., hybrid meetings and wholly virtual meetings).

From 1 April 2022, companies (and registered scheme) can only hold wholly virtual meetings if:

- (a) required or permitted by its constitution; or
- (b) it is allowed to do so under a determination made by ASIC under s 253TA.

The Constitution currently only allows for physical and hybrid meetings as per article 5.2(b).

#### 11.4 Employee incentive plan issue cap

The *Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2002* (Cth) introduced a new Division 1A into Part 7.12 of the Corporations Act in relation to employee share schemes (**New Rules**). The legislation, which took effect on 1 October 2022, replaces and expands the current ASIC Class Order [CO 14/1000] (**Class Order**).

The New Rules, which is to replace the Class Order, offers regulatory relief from the Corporations Act's securities disclosure, licensing, advertising and anti-hawking regulatory requirements which would otherwise apply when making offers of interests under employment share schemes (**ESS**).

An offer from an ESS which requires payment by the offeree to participate can only be eligible for regulatory relief under the New Rules if it complies with the 'issue cap'. The issue cap is the maximum percentage of a company's then share capital that it is permitted to issue over a three-year period under an ESS. Under the Class Order, issue caps of 5% of a listed entity's fully paid shares apply over a rolling period of 3 years (irrespective of whether monetary consideration is required) when relying on Class Order relief. Under the New Rules:

- (a) there is no cap on issues made for no monetary consideration; and
- (b) the issue cap may be either the percentage specified in a company's constitution, or if no percentage is specified in the company's constitution, then 5%.

This means that the Company has the ability to increase the percentage of its share capital that it is permitted to issue under the New Rules, from the default of 5%, for issues made for no consideration and for issues made for no monetary consideration by specifying a new issue cap in its constitution.

For the purposes of section 1100V of Division 1A of Part 7.12 of the Corporations Act, the Company proposes to increase its issue cap percentage to 10% of Shares on issue. This will provide the Company with greater flexibility in the future to further attract, retain and reward employees via increased offers of interests under its employee share schemes (including the Plan).

#### 11.5 Proposed amendments

##### (a) Re-insertion of PTBA Provisions

The Company is seeking to re-insert the PTBA Provisions for a further three years under section 648G(4) of the Corporations Act. The proposed PTBA Provisions set out in Schedule 3 are identical to those currently contained at Schedule 5 of the



Constitution.

(b) **Wholly virtual meetings**

The Company is seeking to amend article 5.2(b) of the Constitution to allow meetings to be held virtually in accordance with section 253Q of the Corporations Act.

The Company wishes to amend article 5.2(b) as follows:

*'The Company may hold a meeting of Members:*

*(i) at one or more physical venues;*

*(ii) at one or more physical venues and using virtual meeting technology; or*

*(iii) using virtual meeting technology only.*

*A meeting of Members can be held using technology that gives the Members as a whole a reasonable opportunity to participate without being physically present in the same place.'*

(c) **10% issue cap - employee incentive scheme**

The Company is seeking to amend article 1.1 of the Constitution and insert new article 2.8 into the Constitution for the purposes of section 1100V of the Corporations Act, to increase the Company's employee incentive plan issue cap to 10% of Shares on issue.

(i) The Company wishes to amend article 1.1 by inserting new definitions as follows:

**'ESS Interests** has the meaning under section 1100M(1) of the Corporations Act.

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

(ii) The Company wishes to insert new article 2.8 as follows:

**'2.8 Issue cap for offers involving monetary consideration under an employee incentive scheme**

*For the purposes of section 1100V(2)(a) of the Corporations Act, the Company may only make an offer of ESS Interests if, at the time the offer is made, the Company reasonably believes:*

*(a) the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the offer; and*

*(b) the total number of Shares that are, or are covered by, the ESS Interests that have been issued, or could have been issued, under offers made in connection with the Company's employee share scheme at any time during the 3-year period ending on the day the offer is made,*

*do not exceed 10% of the number of Shares actually on issue as at the start of the day the offer is made.'*

#### **11.6 Board recommendation**

Resolution 9 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 9.

## Schedule 1 Definitions

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

<b>\$</b>	means Australian Dollars.
<b>5-day VWAP Value</b>	means the volume weighted average price of Shares traded on the ASX over the five (5) consecutive trading days immediately preceding the date of the Meeting.
<b>10% Placement Facility</b>	has the meaning given to it in Section 10.1.
<b>10% Placement Period</b>	has the meaning given to it in Section 10.2(f).
<b>Annual General Meeting or Meeting</b>	means the meeting convened by the Notice.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023.
<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</b>	means the Company's auditor from time to time.
<b>Auditor's Report</b>	means the report of the Auditor contained in the Annual Report.
<b>AWST</b>	means Western Standard Time, being the time in Perth, Western Australia.
<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>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 Pentanet Limited (ACN 617 506 279).
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth), as amended.
<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.

**Explanatory Memorandum**

means the explanatory memorandum which forms part of the Notice.

**Financial Report**

means the annual financial report in respect of the year ended 30 June 2023 prepared under Chapter 2M of the Corporations Act and contained in the Annual Report.

**Formula**

means:

$$\frac{A}{B} = C$$

where:

- A =** in respect of Resolution 3(a), is \$91,442;  
in respect of Resolution 3(b), is \$114,131;  
in respect of Resolution 4(a), is \$28,688;  
in respect of Resolution 4(b), is \$34,768;
- B =** in respect of Resolutions 3(a) and 4(a), is the 5-day VWAP Value;  
in respect of Resolutions 3(b) and 4(b), is the value of the SC LTI Option or TC LTI Option using the Black Scholes valuation model and the following inputs:
  - (i) in respect of Tranche A, an exercise price that is 150% of the 5-day VWAP Value preceding the date of the Meeting;
  - (ii) in respect of Tranche B, an exercise price that is 200% of the 5-day VWAP Value preceding the date of the Meeting;
  - (iii) a volatility of 91.4%;
  - (iv) in respect of Tranche A, an expiry date of 30 June 2026;
  - (v) in respect of Tranche B, an expiry date of 30 June 2027;
  - (vi) a dividend yield of 0%;
  - (vii) a risk-free rate of 4.04%; and
  - (viii) the Share price on the date of the Meeting; and
- C =** in respect of Resolution 3(a), is the number of SC LTI Performance Rights;  
in respect of Resolution 3(b), is the number of SC LTI Options;  
in respect of Resolution 4(a), is the number of TC LTI Performance Rights;  
in respect of Resolution 4(b), is the number of TC LTI Options.

**Joint Lead Managers**

has the meaning given to it in Section 8.3(a).

<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>Minimum Issue Price</b>	has the meaning given to it in Section 10.2(e).
<b>Notice</b>	means this notice of Annual General Meeting.
<b>Option</b>	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
<b>Performance Right</b>	means a right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
<b>Placement</b>	has the meaning given to it in Section 8.1.
<b>Placement Participants</b>	has the meaning given to it in Section 8.1.
<b>Placement Shares</b>	has the meaning given to it in Section 8.1.
<b>Plan</b>	has the meaning given to it in Section 9.1.
<b>Proxy Form</b>	means the proxy form attached to the Notice.
<b>PT Bid</b>	has the meaning given to it in Section 11.2.
<b>PTBA Provisions</b>	has the meaning given to it in Section 11.1.
<b>Relevant Period</b>	means the 12-month period immediately preceding the date of the issue or agreement.
<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>SC LTI Options</b>	means the Options proposed to be issued to Stephen Cornish calculated in accordance with the Formula and subject to the terms and conditions set out in Schedule 5, pursuant to Resolution 3(b).
<b>SC LTI Performance Rights</b>	means the Performance Rights proposed to be issued to Stephen Cornish calculated in accordance with the Formula and subject to the terms and conditions set out in Schedule 4, pursuant to Resolution 3(a).

<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares, Options and 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>Strike</b>	has the meaning given to it in Section 4.1.
<b>TC LTI Options</b>	means the Options proposed to be issued to Timothy Cornish calculated in accordance with the Formula and subject to the terms and conditions set out in Schedule 5, pursuant to Resolution 4(b).
<b>TC LTI Performance Rights</b>	means the Performance Rights proposed to be issued to Timothy Cornish calculated in accordance with the Formula and subject to the terms and conditions set out in Schedule 4, pursuant to Resolution 4(a).
<b>Trading Day</b>	<p>means a day determined by ASX to be a trading day and notified to market participants being:</p> <p>(a) a day other than:</p> <p>(i) a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day; and</p> <p>(ii) any other day which ASX declares and publishes is not a trading day; and</p> <p>(b) notwithstanding (a), a day which for the purposes of settlement, ASX declares is a trading day notwithstanding that dealings between market participants are suspended on that day.</p>
<b>Variable A</b>	has the meaning given to it in Section 10.3(d).
<b>VWAP</b>	means the volume weighted average price of Shares traded on ASX.

## Schedule 2 Summary of Pentanet Limited Employee Securities Incentive Plan

A summary of the key terms of the Pentanet Limited Employee Securities Incentive Plan (**Plan**) is set out below:

1. **(Definitions):** In this summary, unless the context otherwise requires:
  - (a) **Application** in respect of a Security, an application for that Security made by an ESS Participant in response to an Invitation.
  - (b) **Application Form** means an application form attached to, or enclosed with, an Invitation.
  - (c) **Associated Entity** has the meaning given to that term in section 50AAA of the Corporations Act.
  - (d) **ASX** means ASX Limited (ABN 98 008 624 691).
  - (e) **Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or, in respect of a particular matter, any person who is provided with delegated authority by the board of directors of the Company in respect of that particular matter from time to time.
  - (f) **Company** means Pentanet Limited (ACN 617 506 279).
  - (g) **Convertible Security** means a Security exercisable for Plan Share(s) in accordance with the Plan Rules, including an Option, Performance Share or Performance Right.
  - (h) **Invitation** means an invitation to an ESS Participant to apply for the grant of one or more Securities made in accordance with rule 3.2 of the Plan Rules.
  - (i) **Invitation for Monetary Consideration** means an Invitation for the issue, sale or transfer of Securities where either or both the following apply:
    - (i) the Securities are offered for issue or sale in return for monetary consideration, and the Securities will be acquired by the ESS Participant who pays for the Securities; or
    - (ii) the Securities are Options or Performance Rights and monetary consideration is to be provided on the exercise of the Options or Performance Rights.
  - (j) **Listing Rules** means the listing rules of the ASX.
  - (k) **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an Invitation.
  - (l) **Option** means an option granted under the Plan Rules to acquire one or more Shares by transfer or allotment.

- (m) **Performance Right** means a right granted under the Plan Rules to acquire one or more Shares by transfer or allotment.
- (n) **Performance Share** means a non-ordinary share granted under the Plan Rules to acquire one or more Shares by transfer or allotment, upon the achievement of performance based milestones.
- (o) **Plan Rules** means the rules of the Plan.
- (p) **Plan Shares** means all Shares issued or transferred to a Participant under the Plan Rules, including upon the valid exercise of a Security.
- (q) **Security** means a security in the capital of the Company granted under the Plan Rules, including a Plan Share, Option, Performance Right, Performance Share or other Convertible Security.
- (r) **Share** means a fully paid ordinary share in the capital of the Company.
- (s) **Shareholder** means a holder of one or more Shares.
- (t) **ESS Interests** has the meaning given in section 1100M of the Corporations Act.
- (u) **ESS Participant** means a person that:
  - (i) is an 'ESS Participant' as that term is defined in section 1100L(2) of the Corporations Act in relation to the Company or an Associated Entity of the Company, where that Associated Entity is a body corporate; and
  - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (v) **Group** means the Company and each of its Associated Entities from time to time.
- (w) **Participant** means an ESS Participant who has been granted any Security under this Plan.

2. **(Purpose):** The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of ESS Participants;
- (b) link the reward of ESS Participants to Shareholder value creation; and
- (c) align the interests of ESS Participants with shareholders of the Group (being the Company and each of its Associated Entities), by providing an opportunity to ESS Participants to receive an equity interest in the Company in the form of Securities.

3. **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan Rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

4. **(Eligibility, invitation and application):** The Board may from time to time determine that an ESS Participant may participate in the Plan and make an invitation to that ESS Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an



Invitation, an ESS 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 ESS Participant in whole or in part. If an ESS Participant is permitted in the Invitation, the ESS Participant may, by notice in writing to the Board, nominate a party in whose favour the ESS Participant wishes to renounce the Invitation.

5. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed Application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the Invitation, the Plan Rules and any ancillary documentation required.
6. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an Option or Performance Right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
7. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the Invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
8. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the Invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, 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.
9. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan Rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
10. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an ESS 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.

11. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
12. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
13. **(Disposal restrictions on Plan Shares):** If the Invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
14. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.
15. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
16. **(Plan limits):** The Company must reasonably believe, at the time of making an Invitation for Monetary Consideration, that:
  - (a) the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the Invitation; and
  - (b) the total number of Shares that are, or are covered by the ESS Interests of the Company that have been issued, or could have been issued, under Invitations made in connection with the Plan at any time during the 3-year period ending on the day the Invitation is made,

does not exceed the percentage referred to in paragraph (c) of the number of those Shares actually issued by the Company (whether in connection with the Plan or otherwise) as the start of the day the Invitation is made.

(c) The percentage is:

- (i) if the Constitution specifies an issue cap percentage – that percentage; or
- (ii) if paragraph (c)(i) does not apply, the greater of 5% and the percentage (if any) prescribed by the *Corporations Regulations 2001* (Cth) for the purposes of section 1100V(2)(b) of the Corporations Act.

17. **(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 effects.
18. **(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 Proportional Takeover Bid Approval

The Proportional Takeover Bid Approval provisions (**PTBA Provisions**) in Schedule 5 of the Constitution are set out below:

### 1. Resolution required for proportional takeover provisions

Despite articles 4.1, 4.2 and 4.3, if offers are made under a proportional takeover bid for securities of the Company in accordance with the Corporations Act:

- (a) this Schedule 5 applies;
- (b) the registration of a transfer giving effect to a takeover contract resulting from acceptance of an offer made under the takeover bid is prohibited unless and until a resolution (an "approving resolution") to approve the bid is passed or taken to be passed in accordance with paragraph 4 or 5; and
- (c) the Directors must ensure that an approving resolution is voted on in accordance with paragraphs 2 to 3 before the 14th day before the last day of the bid period.

### 2. Procedure for resolution

The Directors may determine whether the approving resolution is voted on:

- (a) at a meeting of persons entitled to vote on the resolution convened and conducted, subject to the provisions of paragraph 3, as if it were a general meeting of the Company convened and conducted in accordance with this Constitution and the Corporations Act with such modifications as the Directors determine the circumstances require; or
- (b) by means of a postal ballot conducted in accordance with the following procedure:
  - (i) a notice of postal ballot and ballot paper must be sent to all persons entitled to vote on the resolution not less than 14 days before the date specified in the notice for closing of the postal ballot, or such lesser period as the Directors determine the circumstances require;
  - (ii) the non-receipt of a notice of postal ballot or ballot paper by, or the accidental omission to give a notice of postal ballot or ballot paper to, a person entitled to receive them does not invalidate the postal ballot or any resolution passed under the postal ballot;
  - (iii) the notice of postal ballot must contain the text of the resolution and the date for closing of the ballot and may contain any other information the Directors consider appropriate;
  - (iv) each ballot paper must specify the name of the person entitled to vote;
  - (v) a postal ballot is only valid if the ballot paper is duly completed and:

- (A) if the person entitled to vote is an individual, signed by the individual or a duly authorised attorney; or
  - (B) if the person entitled to vote is a corporation, executed under seal or as permitted by the Corporations Act or under the hand of a duly authorised officer or duly authorised attorney;
- (vi) a postal ballot is only valid if the ballot paper and the power of attorney or other authority, if any, under which the ballot paper is signed or a copy of that power or authority certified as a true copy by statutory declaration is or are received by the Company before close of business on the date specified in the notice of postal ballot for closing of the postal ballot at the Registered Office or share registry of the Company or at such other place as is specified for that purpose in the notice of postal ballot; and
- (vii) a person may revoke a postal ballot vote by notice in writing which to be effective must be received by the Company before the close of business on the date for closing of the postal ballot.

### 3. **Persons entitled to vote**

The only persons entitled to vote on the approving resolution are those persons who, as at the end of the day on which the first offer under the bid was made, held bid class securities. Each person who is entitled to vote is entitled to one vote for each bid class security held by that person at that time. Neither the bidder nor any associate of the bidder is entitled to vote on the resolution.

### 4. **Resolution passed or rejected**

If the resolution is voted on in accordance with paragraphs 1 to 3, then it is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than one-half, and otherwise is to be taken to have been rejected.

### 5. **Resolution taken as passed**

If a resolution to approve the bid has not been voted on as at the end of the day before the 14th day before the last day of the offer period, then a resolution to approve the bid is taken to have been passed in accordance with paragraphs 2 to 4.

### 6. **Takeover articles cease to have effect**

Paragraphs 1 to 5 cease to have effect on the day 3 years after the later of their adoption or last renewal.

## Schedule 4 Performance Rights Terms and Conditions - Stephen Cornish and Timothy Cornish

### 1. Performance Rights and Vesting Conditions

The following Performance Rights are granted under the Plan to the holder:

Tranche	Number of Performance Rights	Value Allocation of Award	Vesting Conditions	Vesting Date	Expiry Date
1	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	30%	Pentanet Limited's <b>(Company)</b> consolidated group revenue for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	31 October 2025	30 June 2026
1	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	20%	The Company's gaming segment revenue for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	31 October 2025	30 June 2026
1	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	30%	The Company's consolidated EBITDA for the year ending 30 June 2025 (as published in the FY25 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	31 October 2025	30 June 2026

Tranche	Number of Performance Rights	Value Allocation of Award	Vesting Conditions	Vesting Date	Expiry Date
1	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	20%	The Company's minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2025 ( <b>FY25 Minimum Cash Balance Vesting Condition</b> ).	31 October 2025	30 June 2026
2	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	30%	The Company's consolidated group revenue for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	31 October 2026	30 June 2027
2	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	20%	The Company's gaming segment revenue for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted and approved by the Board.	31 October 2026	30 June 2027
2	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	30%	The Company's consolidated EBITDA for the year ending 30 June 2026 (as published in the FY26 Annual Report) meeting or exceeding the amount budgeted	31 October 2026	30 June 2027

Tranche	Number of Performance Rights	Value Allocation of Award	Vesting Conditions	Vesting Date	Expiry Date
			and approved by the Board.		
2	Calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting	20%	The Company's minimum cash balance meeting or exceeding the amount budgeted and approved by the Board, at all times during the year ending 30 June 2026 ( <b>FY26 Minimum Cash Balance Vesting Condition</b> ).	31 October 2026	30 June 2027

Where:

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

**EBITDA** means earnings before interest, tax, depreciation and amortisation.

**FY25 Annual Report** means the Company's audited annual financial report for the year ending 30 June 2025 lodged with ASIC.

**FY26 Annual Report** means the Company's audited annual financial report for the year ending 30 June 2026 lodged with ASIC.

The Performance Rights are granted under the Pentanet Limited Employee Securities Incentive Plan (**Plan**). In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency. Capitalised terms referred to in these terms and conditions, that are not otherwise defined herein, have the same meaning as that given to them in the Plan, unless the context requires otherwise.

## 2. Vesting

- (a) Other than in respect of the FY25 Minimum Cash Balance Vesting Condition and the FY26 Minimum Cash Balance Vesting Condition, the number of Performance Rights that shall vest shall be determined by the Board in its absolute discretion, by assessing the achievement of the Vesting Conditions against the following scale:



Performance Outcome	Percentage of Performance Rights to Vest
<50% below target performance	0% of Performance Rights granted
Between 50% and 100% of target performance	Pro-rata number of Performance Rights granted
>100% up to a cap of 150% of target performance	Pro-rata number of Performance Rights granted

- (b) Subject to these terms and conditions and the Vesting Conditions relating to those Performance Rights being satisfied, the Performance Rights shall vest on the Vesting Date specified in paragraph 1.
- (c) The Company will notify the holder in writing when the relevant Vesting Condition has been satisfied. A Vesting Condition may, subject to applicable laws and the ASX Listing Rules, be waived by the Board in its absolute discretion, by written notice to the holder and on such terms and conditions as determined by the Board and set out in that notice.
- (d) Any Performance Rights that do not vest on the Vesting Date specified in paragraph 1 shall automatically lapse on that date.

### 3. **Consideration**

The Performance Rights will be granted to the holder for nil cash consideration.

### 4. **Exercise Price**

The Exercise Price of each vested Performance Right is nil.

### 5. **Expiry Date**

Each Performance Right will expire at 5.00pm (WST) on the date referred to in paragraph 1 (**Expiry Date**). For the avoidance of doubt any vested but unexercised Performance Rights will automatically lapse at 5.00pm (WST) on the Expiry Date.

### 6. **Conversion**

- (a) Upon vesting, subject to paragraph 6(b), each Performance Right will, at the holder's election, convert into one fully paid ordinary share in the capital of the Company (**Share**).
- (b) Subject to Board approval at the time of exercise, the holder may elect not to be issued Shares upon conversion of the Performance Rights, but that on exercise of those Performance Rights, for the Company to pay the holder, in immediately available funds, an amount equal to the Market Value of the Shares at the time of exercise.

Where **Market Value** means, at any given date, the volume weighted average price of Shares traded on the ASX over the five (5) consecutive trading days immediately preceding that given date.

- (c) The holder may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

#### 7. **Transfer**

The Performance Rights are not transferable.

#### 8. **Quotation**

No application for quotation of the Performance Rights will be made by the Company.

#### 9. **Participation in entitlements and bonus issues**

Subject always to the rights under paragraphs 10 and 11, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

#### 10. **Adjustment for bonus issue**

If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which holders of Performance Rights are entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act 2001 (Cth) (**Corporations Act**) and the ASX Listing Rules at the time of the bonus issue.

#### 11. **Reorganisation of capital**

In the event that the issued capital of the Company is reconstructed, all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the ASX Listing Rules and Corporations Act at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules and Corporations Act, following such reorganisation the holder's economic and other rights are not diminished or terminated.

#### 12. **Dividend and voting rights**

The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.

#### 13. **Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

14. **Rights on winding up**

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

15. **Shares issued on exercise**

All Shares issued upon the exercise of Performance Rights will upon issue rank *pari passu* in all respects with the then Shares of the Company.

16. **Timing of issue of Shares and quotation of Shares on exercise**

As soon as practicable after the issue of a Notice of Exercise by the holder, the Company will:

- (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled under these terms and conditions;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the ASX Listing Rules.

If the Company is unable to deliver a notice under paragraph (b) (above) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things reasonably necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a "cleansing prospectus" is required, any Shares issued to the holder will be subject to a holding lock until such time as a prospectus is issued by the Company.

17. **Change of Control**

Subject to the ASX Listing Rules and all applicable laws, upon the occurrence of a change of control of the Company, to the extent Performance Rights have not converted into Shares following satisfaction of a Vesting Condition, Performance Rights will automatically convert to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue in the Company, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue at that time. Performance Rights that are not converted into Shares will continue to be held by the holder on the same terms and conditions.

## Schedule 5 Option Terms and Conditions - Stephen Cornish, Timothy Cornish and Dominic John O'Hanlon

### Stephen Cornish and Timothy Cornish

- (a) **(Entitlement):** Subject to the terms and conditions set out below, each Option entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of Pentanet Limited (**Share**).
- (b) **(Plan):** The Options are granted under the Pentanet Limited Employee Securities Incentive Plan (**Plan**) for nil cash consideration. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency. Capitalised terms referred to in these terms and conditions, that are not otherwise defined herein, have the same meaning as that given to them in the Plan, unless the context requires otherwise.
- (c) **(Vesting)**
- (i) 1/3 of the Options calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting (**Tranche A Options**) will vest on 30 June 2025, subject and conditional upon the holder being employed by Pentanet Limited (**Company**) as an Executive Director or a Managing Director on that date; and
- (ii) 2/3 of the Options calculable in accordance with the formula included in the Company's 2023 Notice of Annual General Meeting will vest on 30 June 2026 (**Tranche B Options**), subject and conditional upon the holder being employed by the Company as an Executive Director or a Managing Director on that date,
- (each a **Vesting Condition**).
- (iii) The Company will notify the holder in writing upon a Vesting Condition being satisfied. A Vesting Condition may, subject to applicable laws and the ASX Listing Rules, be waived by the Board in its absolute discretion, by written notice to the holder and on such terms and conditions as determined by the Board and set out in that notice.
- (iv) Any Tranche A Options that do not vest on 30 June 2025 shall automatically lapse on that date.
- (v) Any Tranche B Options that do not vest on 30 June 2026 shall automatically lapse on that date.
- (d) **(Exercise Price):** The Options will be issued to the holder for nil cash consideration. Subject to the terms and conditions set out below, the amount payable upon exercise of each:
- (i) Tranche A Option will be equal to 150% of the volume weighted average price of Shares traded on the ASX over the five (5) consecutive trading days

immediately preceding the date of the Company's 2023 Annual General Meeting; and

- (ii) Tranche B Option will be equal to 200% of the volume weighted average price of Shares traded on the ASX over the five (5) consecutive trading days immediately preceding the date of the Company's 2023 Annual General Meeting.

(each referred to hereinafter as the **Exercise Price**).

(e) **(Expiry Date):**

- (i) Each Tranche A Option will expire at 5:00pm (AEST) on 30 June 2026 (**Tranche A Option Expiry Date**);
- (ii) Each Tranche B Option will expire at 5:00pm (AEST) on 30 June 2027 (**Tranche B Option Expiry Date**),

(together the Tranche A Option Expiry Date and the Tranche B Option Expiry Date, hereinafter means the **Expiry Date**).

For the avoidance of doubt any unexercised Option will automatically lapse on the Expiry Date.

(f) **(Exercise):** Subject to the Vesting Conditions being satisfied, the holder may exercise their Options in whole or in part (and if exercised in part, in multiples of 1,000 on each occasion) by lodging with the Company, on or prior to the Expiry Date:

- (i) a written notice of exercise of Options in the form provided by the Company specifying the number of Options being exercised (**Notice of Exercise**); and
- (ii) a cheque or electronic funds transfer, or other means of payment acceptable to the Company, including cashless exercise as described in paragraph (g), for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable".

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

(g) **(Cashless exercise of Options):** Subject to Board approval at the time of exercise, the holder 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).

Where **Market Value** means, at any given date, the volume weighted average price of Shares traded on the ASX over the five (5) consecutive trading days immediately preceding that given date.

(h) **(Timing of issue of Shares and quotation of Shares on exercise):** Within 15 Business Days after the later of the following:

- (i) Exercise Date; and
- (ii) when "excluded information" in respect of the Company (as defined in section 708A(7) of the Corporations Act 2001 (Cth) (Corporations Act)) (if any) ceases to be "excluded information",

the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company (if required);
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If the Company is unable to deliver a notice under section (d) (above) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things reasonably necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a "cleansing prospectus" is required, any Shares issued on exercise of Options will be subject to a holding lock until such time as a prospectus is issued by the Company.

- (i) **(Shares issued on exercise):** All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with the then Shares of the Company.
- (j) **(Transfer):** The Options are not transferable except in accordance with the Plan and subject to compliance with the Corporations Act and the ASX Listing Rules.
- (k) **(Quotation):** No application for quotation of the Options will be made by the Company.
- (l) **(Dividend and voting rights):** The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.
- (m) **(Participation in new issues):** Subject always to the rights under paragraphs (o) and (p), there are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.

- (n) **(Change in exercise price or number of Shares):** Subject always to the rights under paragraphs (o) and (p), there will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company.
- (o) **(Adjustment for bonus issue):** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Options to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Options held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the ASX Listing Rules at the time of the bonus issue.
- (p) **(Reorganisation of capital):** In the event that the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Options will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.

## 2. **Dominic John O'Hanlon**

- (a) **(Entitlement):** Subject to the terms and conditions set out below, each Option entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of Pentanet Limited (**Share**).
- (b) **(Plan):** The Options are granted under the Pentanet Limited Employee Securities Incentive Plan (**Plan**) for nil cash consideration. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency. Capitalised terms referred to in these terms and conditions, that are not otherwise defined herein, have the same meaning as that given to them in the Plan, unless the context requires otherwise.
- (c) **(Exercise Price):** The Options will be issued to the holder for nil cash consideration. Subject to these terms and conditions, the amount payable upon exercise of each Option is \$0.12 each (**Exercise Price**).
- (d) **(Expiry Date):** Each Option will expire at 5:00pm (AEST) on the date 36 months from the date of their issue (**Expiry Date**). For the avoidance of doubt, any unexercised Option will automatically lapse on the Expiry Date.
- (e) **(Exercise):** The holder may exercise their Options in whole or in part (and if exercised in part, in multiples of 1,000 on each occasion) by lodging with Pentanet Limited (**Company**), on or prior to the Expiry Date:
  - (i) a written notice of exercise of Options in the form provided by the Company specifying the number of Options being exercised (**Notice of Exercise**); and
  - (ii) a cheque or electronic funds transfer, or other means of payment acceptable to the Company, including cashless exercise as described in paragraph (f), for the Exercise Price for the number of Options being exercised. Cheques shall

be in Australian currency made payable to the Company and crossed "Not Negotiable".

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

- (f) **(Cashless exercise of Options):** Subject to Board approval at the time of exercise, the holder 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).

Where **Market Value** means, at any given date, the volume weighted average price of Shares traded on the ASX over the five (5) consecutive trading days immediately preceding that given date.

- (g) **(Timing of issue of Shares and quotation of Shares on exercise):** Within 15 Business Days after the later of the following:

- (i) Exercise Date; and
- (ii) when "excluded information" in respect of the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be "excluded information",

the Company will:

- (iii) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company (if required);
- (iv) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If the Company is unable to deliver a notice under paragraph (iv) (above) or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company will lodge with ASIC a "cleansing prospectus" prepared in accordance with the Corporations Act and do all such things reasonably necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a "cleansing prospectus" is required, any Shares issued on exercise of Options will be subject to a holding lock until such time as a prospectus is issued by the Company.



- (h) **(Shares issued on exercise):** All Shares issued upon the exercise of Options will upon issue rank *pari passu* in all respects with the then Shares of the Company.
- (i) **(Transfer):** The Options are not transferable except in accordance with the Plan and subject to compliance with the Corporations Act and the ASX Listing Rules.
- (j) **(Quotation):** No application for quotation of the Options will be made by the Company.
- (k) **(Dividend and voting rights):** The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.
- (l) **(Participation in new issues):** Subject always to the rights under paragraphs (n) and (o), there are no participation rights or entitlements inherent in the Options and holders of Options will not be entitled to participate in new issues of capital offered to holders of Shares, such as bonus issues and entitlement issues.
- (m) **(Change in exercise price or number of Shares):** Subject always to the rights under paragraphs (n) and (o), there will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company.
- (n) **(Adjustment for bonus issue):** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Options to which the holder is entitled will be increased by that number of securities which the holder would have been entitled if the Options held by the holder were exercised immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the ASX Listing Rules at the time of the bonus issue.
- (o) **(Reorganisation of capital):** In the event that the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return), all the holder's rights as a holder of Options will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation provided that, subject to compliance with the ASX Listing Rules, following such reorganisation the holder's economic and other rights are not diminished or terminated.

## Schedule 6 Valuation

### 1. Performance Rights - Stephen Cornish and Timothy Cornish

The values of the SC LTI Performance Rights and TC LTI Performance Rights are measured based on the following inputs:

Tranche	Input	Values at Valuation Date
Tranche 1	Grant date	3 October 2023
	Share price at grant date	\$0.06
	Vesting date	31 October 2025
	Expiry date	30 June 2026
	Vesting conditions	Non-market vesting
	Fair value of each Performance Right	\$0.06
	Value of SC LTI Performance Rights	\$45,721
	Value of TC LTI Performance Rights	\$14,344
Tranche 2	Grant date	3 October 2023
	Share price at grant date	\$0.06
	Vesting date	31 October 2026
	Expiry date	30 June 2027
	Vesting conditions	Non-market vesting
	Fair value of each Performance Right	\$0.06
	Value of SC LTI Performance Rights	\$45,721
	Value of TC LTI Performance Rights	\$14,344
<b>Total value of SC LTI Performance Rights</b>		<b>\$91,442</b>
<b>Total value of TC LTI Performance Rights</b>		<b>\$28,688</b>

Under AASB 2 these Performance Rights will be assigned a probability based upon the likelihood of being met. This probability will be re-assessed at every reporting period.

## 2. Options - Stephen Cornish and Timothy Cornish

The values of the SC LTI Options and TC LTI Options are measured using the Black Scholes valuation model and are based on the following inputs:

Tranche	Input	Values at Valuation Date
Tranche A	Grant date	3 October 2023
	Share price at grant date	\$0.06
	Expiry date	30 June 2026
	Exercise price	\$0.0891
	Risk-free rate	4.04%
	Vesting Conditions	See Schedule 5
	Annual volatility	91.40%
	Value of SC LTI Options	\$36,366
	Value of TC LTI Options	\$11,078
Tranche B	Grant date	3 October 2023
	Share price at grant date	\$0.06
	Expiry date	30 June 2027
	Exercise price	\$0.119
	Risk-free rate	4.04%
	Vesting Conditions	See Schedule 5
	Annual volatility	91.40%
	Value of SC LTI Options	\$77,765
	Value of TC LTI Options	\$23,690
Total value of SC LTI Options		\$114,131
Total value of TC LTI Options		\$34,768

## 3. Options - Dominic John O'Hanlon

The value of the proposed Options to Dominic John O'Hanlon is measured using the Black Scholes valuation model and is based on the following inputs:

Input	Values at Valuation Date
Grant date	3 October 2023
Share price at grant date	\$0.06
Exercise price	\$0.120
Risk-free rate	4.04%
Expiry Date	3 years from the date of issue
Annual volatility	91.40%
Value of Options	\$26,755

Your proxy voting instruction must be received by **01.00pm (AWST) on Wednesday, 22 November 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

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

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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