

SPECTUR LIMITED

ACN 140 151 579



Notice of Annual General Meeting, Explanatory Statement and Proxy Form

To be held as a physical and virtual meeting:

PLACE: Royal Perth Golf Club
Labouchere Road
South Perth WA 6151

ONLINE: https://us02web.zoom.us/webinar/register/WN_HTDuy_H8QHqmaklgMvRI4Q

TIME: 11.00 am (WST)

DATE: Tuesday, 27 October 2020

IMPORTANT NOTE

The Notice of Annual General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, lawyer or other professional adviser prior to voting.

In light of the restrictions that have been introduced as a result of the COVID-19 pandemic, the Annual General Meeting will be held and webcast live to Shareholders. The Meeting Chair will be located at the Royal Perth Golf Club, Labouchere Road, South Perth WA 6151. Shareholders are currently permitted to physically attend the Meeting, however there may be restrictions to comply with public health measures on social distancing and therefore it is recommended that you register your intention to attend the meeting by the proxy cut-off date

Important Information

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Important Dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms (Proxy Forms received after this time will be disregarded)	11.00am (WST) Sunday, 25 October 2020
Snapshot date for eligibility to vote	5.00pm (WST) Sunday, 25 October 2020
Annual General Meeting	11.00am (WST) Tuesday, 27 October 2020

Defined Terms

Capitalised terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

Forward Looking Statements

Certain statements in the Explanatory Statement relate to future events or targets. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. These statements reflect views only as of the date of the Explanatory Statement. Neither the Company nor any other person gives any representation, assurance or guarantee that the occurrence of the events (expressed or implied) in any forward looking statements in the Explanatory Statement will actually occur as and when stated, and Shareholders are cautioned not to place undue reliance on such forward looking statements.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Spectur Limited (ACN 140 151 579) (**Company**) will be held at **11:00am (WST) on 27 October 2020** as a physical meeting at Royal Perth Golf Club, Labouchere Road, South Perth, Western Australia 6151, and as a virtual meeting online at https://us02web.zoom.us/webinar/register/WN_HTDuy_H8QHqmaklgMvRI4Q for the purpose of transacting the business set out in this Notice. Online registrations for the Meeting will commence at 11:00am (WST).

The Explanatory Statement, which accompanies and forms part of this Notice, describes the various matters to be considered.

AGENDA

Receipt of Financial Statements and Reports

To receive and consider the annual financial report, Directors' report and Auditor's report of the Company for the financial year ended 30 June 2020, as contained in the Company's Annual Report.

Resolution 1: Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2020, as contained in the Company's Annual Report for 2020, be adopted by the Company."

Notes: In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution ("spill resolution") that another meeting be held within 90 days at which all of the offices of Director are vacated (other than the office of managing director) and each such office will be put to a vote.

It is noted that at the Company's 2019 annual general meeting, the votes cast against the 2019 remuneration report represented less than 25% of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for this year's Annual General Meeting

Refer to the Explanatory Statement for further information.

Resolution 2: Re-election of Director – Mr Darren Cooper

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

"That, for the purposes of Listing Rule 14.4, article 6.2(c) of the Company's Constitution and for all other purposes, Mr Darren Cooper, a Director who retires in accordance with article 6.3(c) of the Constitution and, being eligible, offers himself for re-election, is re-elected as a Director."

Resolution 3: Grant of MD Performance Rights to Related Party – Mr Gerard Dyson

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the grant of up to 3,301,887 MD Performance Rights, to Mr Gerard Dyson, the Managing Director of the Company (or his nominee), pursuant to the Company’s Employee Incentive Plan, on the terms and conditions described in the Explanatory Statement.”

Resolution 4: Approval to Grant Lead Manager Options to Alto Capital

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue by the Company of 1,000,000 Lead Manager Options, exercisable at \$0.10 each on or before 30 June 2023, to ACNS Capital Markets Pty Ltd (ACN 088 503 208) trading as Alto Capital (or its nominees), in consideration for acting as lead manager to the Placement and SPP, in the manner and on the terms and conditions set out in the Explanatory Statement.”

Resolution 5: Approval to Issue Shares to a Director in lieu of fees – Mr Darren Cooper

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 273,253 Remuneration Shares to Mr Darren Cooper (or his nominee), a Director of the Company, in lieu of \$16,083.33 in director fees payable by the Company, on the terms and conditions described in the Explanatory Statement.”

Resolution 6: Approval to Issue Shares to a Director in lieu of fees – Mrs Bilyana Smith

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 145,735 Remuneration Shares to Mrs Bilyana Smith (or her nominee), a Director of the Company, in lieu of \$8,577.78 in director fees payable by the Company, on the terms and conditions described in the Explanatory Statement.”

By order of the Board



Suzie Foreman
Company Secretary
21 September 2020

Voting Prohibitions and Exclusions

Corporations Act Voting Prohibitions

For the purposes of sections 250BD and 250R(4) of the Corporations Act, the following persons cannot vote on the Resolutions specified in the table below unless a specific exception applies:

Resolution	Excluded Persons	Exceptions
Resolution 1	Members of Key Management Personnel the details of whose remuneration is included in the Remuneration Report and their Closely Related Parties.	<p>A person may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described opposite and either:</p> <ul style="list-style-type: none"> • the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or • the voter is the Meeting Chairperson and the appointment of the Meeting Chairperson as proxy: <ul style="list-style-type: none"> ○ does not specify the way the proxy is to vote on the Resolution; and ○ expressly authorises the Meeting Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolutions 3, 5 and 6	Members of Key Management Personnel and their Closely Related Parties, in their capacity as proxy for a Shareholder eligible to vote on the Resolution.	<p>The exclusion does not apply if:</p> <ul style="list-style-type: none"> • both: <ul style="list-style-type: none"> ○ the person appointed as proxy is the Meeting Chairperson; and ○ the appointment expressly authorises the Meeting Chairperson to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; or • the appointment specifies the way the proxy is to vote on the Resolution.

Any votes cast in contravention of sections 250BD or 250R(4) of the Corporations Act will not be counted in working out a percentage of votes cast or whether the respective Resolutions are approved.

ASX Voting Exclusion Statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the persons or class of persons specified in the table below who are excluded from voting, or an Associate of those person or persons:

Resolution	Excluded Persons
Resolution 3	<p>A person referred to in:</p> <ul style="list-style-type: none"> • Listing Rule 10.14.1 (i.e. Directors); • Listing Rule 10.14.2 (i.e. an Associate of a Director); or • Listing Rule 10.14.3 (i.e. a person whose relationship with the Company or a person referred to in Listing Rules 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders), <p>who is eligible to participate in the Employee Incentive Plan, including Mr Gerard Dyson, the Managing Director.</p>
Resolution 4	<p>A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Lead Manager Options (except a benefit solely by reason of being a holder of ordinary securities in the Company), being Alto Capital or its associates.</p>
Resolution 5	<p>The person who is to receive the Remuneration Shares in question (i.e. Mr Darren Cooper or his nominee) and any other person who will obtain a material benefit as a result of the issue of the Remuneration Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company).</p>
Resolution 6	<p>The person who is to receive the Remuneration Shares in question (i.e. Mrs Bilyana Smith or her nominee) and any other person who will obtain a material benefit as a result of the issue of the Remuneration Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company).</p>

However, the Company need not disregard a vote cast in favour of Resolutions 3 to 6 if it is cast by:

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

Proxy Appointment and Voting Instructions

Lodgement of Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address given below by **11:00am (WST) on Sunday, 25 October 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid. Proxy Forms may be lodged as follows:

On-line <https://investor.automic.com.au/#/loginsah>

Note: This is the fastest and easiest way to vote by proxy and is recommended by the Share Registry in light of delays to postal services caused by the COVID-19 pandemic. Proxies will no longer be accepted by hand by the Share Registry.

by post: Automic Registry Services, GPO Box 5193, Sydney, NSW 2001

by e-mail: meetings@automicgroup.com.au

Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

If you wish to appoint the Meeting Chairperson as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Meeting Chairperson, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Meeting Chairperson will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form or an additional Proxy Form may be obtained by telephoning the Company's share registry on 1300 288 664 (within Australia) or + 61 2 9698 5414 (from overseas).

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

Corporate representatives

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

Votes on Resolutions

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on that Resolution will be invalid.

Participation through online platform

Shareholders who wish to attend and participate at the Meeting online are recommended to register at least 15 minutes before the scheduled start time of the Meeting and sign in per the instructions below:

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

Online voting for a Resolution will be open from the commencement of the Meeting until the Meeting Chair announces voting closure on that Resolution. Note that investors submitting their vote online cannot amend the vote after it has been submitted.

Shareholders who have validly appointed a proxy do not need to register per above, they can just refer to the zoom link at the front of the Notice of Meeting.

Voting restrictions that may affect your proxy appointment

Members of the Key Management Personnel and their Closely Related Parties are not able to vote your proxy on Resolution 1 (Adoption of Remuneration Report), and Directors may not vote your proxy on Resolution 3 (Grant of MD Performance Rights to Related Party), Resolution 5 (Approval to Issue Shares to a Director in lieu of fees – Mr Darren Cooper) or Resolution 6 (Approval to Issue Shares to a Director in lieu of fees – Mrs Bilyana Smith) unless you have directed them how to vote. This exclusion does not apply to the Meeting Chairperson if their appointment as proxy expressly authorises them to vote on matters of Key Management Personnel remuneration.

If you intend to appoint the Meeting Chairperson, a Director or any other member of Key Management Personnel or any of their Closely Related Parties as your proxy, you are encouraged to direct them how to vote on all the Resolutions.

Meeting Chairperson voting of undirected proxies

At the date of this Notice, the Meeting Chairperson intends to vote all undirected proxies **FOR** each of the Resolutions. In exceptional cases, the Meeting Chairperson’s intentions may change subsequently, and in this event, the Company will make an announcement to the market.

The Proxy Form expressly authorises the Meeting Chairperson to exercise undirected proxies on all Resolutions including Resolution 1 (Adoption of Remuneration Report), Resolution 3 (Grant of MD Performance Rights to Related Party), Resolution 5 (Approval to Issue Shares to a Director in lieu of fees – Mr Darren Cooper) or Resolution 6 (Approval to Issue Shares to a Director in lieu of fees – Mrs Bilyana Smith) even though these Resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Voting eligibility (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **5:00pm (WST) on Sunday, 25 October 2020**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

Questions from Shareholders

At the Meeting, the Meeting Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report. A representative of HLB Mann Judd, as the Auditor responsible for preparing the Auditor's report for the year ended 30 June 2020 (contained in the Annual Report), will attend the Meeting.

The Meeting Chairperson will also allow a reasonable opportunity for Shareholders to ask the Auditor questions about:

- the conduct of the audit;
- the preparation and content of the Auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

To assist the Board and the Auditor in responding to any questions that you may have, please submit any questions to the Company in writing by **1:00pm (WST) on Sunday 25 October 2020** in the same manner as outlined above for lodgement of Proxy Forms.

As required under section 250PA of the Corporations Act, the Company will make available at the Meeting those questions directed to the Auditor received in writing at least 5 business days prior to the Meeting, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the Annual Report. The Meeting Chairperson will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary or otherwise in the Explanatory Statement.

1. Annual Financial Report

The Corporations Act requires that the Directors' report, Auditor's report and the financial statements of the Company for the year ended 30 June 2020 be tabled at the Meeting. These reports are contained in the Company's Annual Report.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders on the reports and financial statements. However, Shareholders will be given reasonable opportunity to raise questions on these reports and ask questions of the Auditor.

The Company's Annual Report is available on its website at www.spectur.com.au.

2. Resolution 1: Adoption of Remuneration Report

2.1 Background

The Remuneration Report is set out in the Directors' report section of the Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings of the Company, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the managing director) must go up for re-election.

It is noted that at the Company's 2019 annual general meeting the votes cast against the remuneration report represented less than 25% of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for this year's Annual General Meeting.

A voting exclusion applies to Resolution 1 on the terms set out in the Notice.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

2.2 Directors' recommendation

The Directors decline to make a recommendation as to how Shareholders should vote in respect of Resolution 1 as they each hold a material personal interest in the outcome of the Resolution.

3. Resolution 2: Re-election of Director – Mr Darren Cooper

3.1 Background

Resolution 2 seeks Shareholder approval for the re-election of Mr Darren Cooper as a Director.

Mr Cooper is a non-executive Director and the current Chairman of the Board. He was appointed by the Board on 5 October 2018.

Mr Cooper retires from office as required by article 6.3(c) of the Constitution, and being eligible, submits himself for re-election.

If Resolution 2 is not passed, Mr Cooper will no longer be a Director of the Company.

3.2 **Rotation of Directors**

Article 6.3(c) of the Company's Constitution requires that one third of the Directors retire at each annual general meeting of the Company. The Directors to retire must be:

- those who have held their office the longest period of time since their last election or appointment to that office; and
- if two or more Directors have held office for the same period of time, those Directors determined by lot, unless such Directors agree otherwise.

A Director who retires under article 6.3(c) of the Company's Constitution is eligible for re-election.

3.3 **Biography – Mr Darren Cooper**

Darren Cooper has spent more than 20 years with various companies in management and senior executive roles. He currently holds several Board and Strategic Advisory roles across a range of industries including property, construction, labour hire, professional services, and telecommunications.

Mr Cooper is also an investor in and director of a range of technology & media-based start-up businesses.

Mr Cooper holds a Bachelor of Business from Curtin University, a Master's Degree of Applied Finance from Macquarie University, and is a graduate of the Australian Institute of Company Directors.

3.4 **Directors' recommendation**

The Directors (other than Mr Cooper who has a material personal interest in the outcome of the Resolution and declines to make a recommendation) recommend that Shareholders vote in favour of Resolution 2.

4. **Resolution 3: Grant of MD Performance Rights to Related Party – Mr Gerard Dyson**

4.1 **Background**

Resolution 3 seeks Shareholder approval for the grant of 3,301,887 MD Performance Rights to the Company's Managing Director, Mr Gerard Dyson (or his nominee), under the Company's Employee Incentive Plan.

The material terms of Mr Dyson's employment were released to ASX on 9 April 2019. Mr Dyson's remuneration package includes the following components:

- fixed remuneration, comprising base salary and superannuation;
- short-term incentives; and
- long-term incentives.

In structuring the terms of Mr Dyson's short-term and long-term incentives, the Board has carefully considered market practice among comparable companies listed on the ASX.

The Board believes that part of the remuneration for Mr Dyson's service as Managing Director should be performance-based and at risk and should involve equity interests in Spectur. The Board considers that this approach reflects best practice in executive remuneration and corporate governance.

Consistent with this approach, Mr Dyson's executive employment contract provides that he is entitled to participate in a long-term incentive award scheme in the form of Performance Rights, with the maximum achievable value of such rights to be equivalent to 50% of his base salary (excluding superannuation).

The Board proposes to grant up to 3,301,887 MD Performance Rights to Mr Dyson representing his long-term incentive award for the financial year ending 30 June 2021.

The grant of long-term incentives to Mr Dyson in the form of MD Performance Rights aligns his interests with those of the Company and its Shareholders, whilst preserving the Company's cash reserves.

Further details of Mr Dyson's remuneration are set out in the Remuneration Report of the FY2020 Annual Report of Spectur Limited.

If Resolution 3 is not passed, the MD Performance Rights, will not be issued to Mr Dyson.

4.2 Summary of MD Performance Rights

Each MD Performance Right will operate for up to 3 years and entitles the holder to receive one Share on satisfaction of specified performance hurdles and vesting conditions.

The performance hurdles have been determined by the Board, having regard to long-term incentive key performance indicators following a consultation with Mr Dyson. They are based on the Company's earnings per share and total shareholder return.

MD Performance Rights that do not vest and become exercisable in accordance with their vesting conditions (unless waived) will automatically lapse.

Any MD Performance Rights that have not vested, automatically lapse on cessation of employment.

The full terms and conditions of the MD Performance Rights are set out in Schedule 1.

4.3 Cautionary statement regarding performance hurdles

The MD Performance Rights contain performance hurdles which are to be satisfied for those rights to vest and be exercisable by Mr Dyson (or his nominee). These are outlined in item 7 of Schedule 1

The performance hurdles focus on the improvement of certain financial metrics of the Company in respect of earnings per share and total shareholder return.

The performance hurdles are aspirational targets intended to incentivise Mr Dyson in a manner which aligns his interests with those of the Company. They are not, and should not be interpreted as, a forecast, estimate or prediction of the future financial performance of the Company or return on a Shareholder's investment.

Shareholders are strongly cautioned against placing any reliance on the performance hurdles in the MD Performance Rights in this regard. There cannot be any assurance that the performance hurdles (or any of them) will be satisfied within the timeframe specified in the MD Performance Right terms or at all.

4.4 Chapter 2E of the Corporations Act

Section 208(1) of the Corporations Act (set out in Chapter 2E) requires that, where a public company proposes to give a financial benefit to a Related Party (e.g. a Director), the public company must:

- obtain the approval of the company's members in accordance with section 208 of the Corporations Act in the manner set out in sections 217 to 227 of the Corporations Act; and
- 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.

Section 211 of the Corporations Act provides that shareholder approval is not required to give a financial benefit in circumstances where the benefit constitutes remuneration which would be reasonable given the company's and the Related Party's circumstances.

The grant of Performance Rights to a Director (or their nominee) constitutes the giving of a financial benefit to a Related Party of the Company for the purposes of section 208 of the Corporations Act.

The Directors (other than Mr Dyson who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of MD Performance Rights because the agreement to grant the Performance Rights to Mr Dyson was reached as part of the remuneration package for Mr Dyson, was negotiated on an arm's length basis prior to Mr Dyson's appointment and is considered reasonable remuneration in the circumstances.

4.5 Listing Rule Requirements

Listing Rule 10.14 also requires Shareholder approval to be obtained where an entity issues, or agrees to issue, Equity Securities (including Performance Rights) under an employee incentive scheme to a Related Party (e.g. a Director).

As the grant of the MD Performance Rights pursuant to Resolution 3 involves the issue of Equity Securities to a Related Party of the Company, Shareholder approval pursuant to Listing Rule 10.14 is required unless an exception applies. It is the view of the Directors (other than Mr Dyson) that none of the exceptions set out in Listing Rule 10.16 apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the grant of the MD Performance Rights to Mr Dyson as approval is being obtained under Listing Rule 10.14. Accordingly, the grant of the MD Performance Rights will not be included in the calculation of the Company's issuing capacity pursuant to Listing Rule 7.1.

4.6 Information required by Listing Rule 10.15

For the purposes of Listing Rule 10.15, the following information is provided about the proposed grant which is the subject of Resolution 3:

(a) **Name of the recipient**

The MD Performance Rights are to be granted to Mr Gerard Dyson or his nominee.

(b) **Relevant category in Listing Rule 10.14**

Mr Dyson is a Director of the Company and is therefore a person mentioned in Listing Rule 10.14.1.

(c) **Number and class of securities proposed to be issued**

A maximum of 3,301,887 MD Performance Rights will be granted to Mr Dyson or his nominee.

The number of MD Performance Rights has been calculated using the following formula:

$$A = (B \times 0.5) / C$$

where:

A is the number of MD Performance Rights to be granted;

B is Mr Dyson's contracted base salary (excluding superannuation) of \$280,000;

C is the value of each MD Performance Right calculated as \$0.0424 (4.24 cents) using a Black-Scholes valuation conducted on 14 July 2020, applying the following assumptions and variables:

- each MD Performance Right will be measured/assessed on the date which the Company's audited financial statements for the financial year ending 30 June 2023 are publicly reported, and it is assumed that there is a 70% likelihood of the rights vesting on or before this date.
- following the vesting date, the holder is provided with 12 months with which to exercise the Performance Right before expiry;
- the volume weighted average price of Shares traded on ASX on the first 5 trading days of the 2020/2021 financial year was \$0.0605;
- a risk-free rate of 0.27% has been adopted;
- a dividend yield rate of 0% has been adopted;
- a volatility factor of 146% has been adopted; and
- no marketability discount has been adopted in this instance, to reflect the fact that the MD Performance Rights are not freely transferable.

(d) **Details of remuneration package**

Mr Dyson's current total remuneration package is as follows:

- an annual salary of \$280,000 plus superannuation – Mr Dyson however agreed to a temporary deferral in the planned contracted increase to his remuneration at 1 July 2020, to \$260,000 and additionally agreed to a temporary 20% reduction of this salary to \$208,000 plus superannuation as a result of the COVID-19 pandemic;
- a pre-tax short-term cash incentive payment of up to 50% of Mr Dyson's base salary for each financial year, subject to satisfaction of key performance indicators set by the Company prior to the commencement of each 6-month period; and
- long-term equity incentive valued at 50% of Mr Dyson's base salary, issued/granted under a long-term incentive scheme (e.g. the Employee Incentive Plan) and subject to satisfaction of performance hurdles over a 3-year period (e.g. the MD Performance Rights).

(e) **Number of securities previously issued to recipient and average acquisition price paid**

Mr Dyson was granted 1,607,919 Performance Rights under the Employee Incentive Plan on 13 November 2019. He was not required to pay any acquisition price for these Performance Rights. Details of the terms of the Performance Rights are contained in the Company's Notice of Annual General Meeting released to ASX on 23 September 2019.

(f) **Details of securities, reason for issue and value**

The terms of the MD Performance Rights are set out in Schedule 1.

Please refer to Section 4.1 as to the reasons why the Board considers the MD Performance Rights are proposed to be granted to Mr Dyson.

Please refer to Section 4.6(c) in relation to the value attributed to the MD Performance Rights and the basis for calculation of such value.

(g) **Date by which securities will be issued**

It is anticipated that the MD Performance Rights will be granted within 5 business days after the date of the Meeting, if Resolution 3 is passed by Shareholders, but in any case, the MD Performance Rights will be issued by no later than 3 years after the date of the Meeting.

(h) **Price at which securities will be issued or formula for calculation of price**

The MD Performance Rights will be granted for nil cash consideration.

(i) **Summary of material terms of the Employee Incentive Plan**

A summary of the material terms of the Employee Incentive Plan is set out in Schedule 2.

A summary of the material terms of the Employee Incentive Plan were included in the 2019 Notice of Annual General Meeting and can be obtained from the ASX Market Announcements Platform using the Company's ticker code 'SP3', and complete rules are available on the Company's website in the Corporate Governance section, .

(j) **Terms of any loan related to acquisition of securities**

Not applicable.

(k) **Plan details**

The Company will publish details of any securities or rights issued under the Employee Incentive Plan in its annual report for the financial year in which securities or rights are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

(l) **New participants**

Any additional persons covered by Listing Rule 10.14 (i.e. Directors, Associates of Directors or persons whose relationship with the Company or a person referred to in Listing Rules 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders) who become entitled to participate in an issue of securities or rights under the Employee Incentive Plan after Resolution 3 is approved, but were not named in this Notice, will not participate until approval is obtained under Listing Rule 10.14.

4.7 **Directors' recommendation**

The Directors (other than Mr Dyson, who has a material personal interest in Resolution 3 and therefore declines to give a recommendation) recommend that Shareholders vote in favour of Resolution 3, as the Directors (other than Mr Dyson) consider that the granted of the MD Performance Rights to Mr Dyson is a reasonable and appropriate method to provide cost effective and efficient remuneration, as the non-cash form of this benefit will allow the Company to spend a greater portion of its available cash on its operations than it would if alternative cash forms of remuneration was given to Mr Dyson.

5. **Resolution 4: Approval to Grant Lead Manager Options to Alto Capital**

5.1 **Background**

On 16 July 2020, the Company completed a Placement of 11,344,960 Shares to existing and new shareholders who qualified as sophisticated or professional investors at \$0.05 each, raising \$567,248 before costs (**Placement**).

Subsequently, the Company conducted a Share Purchase Plan (**SPP**) to raise a target of \$567,248 through the issue of an additional 11,344,960 shares at the Placement price of \$0.05 per share, with

the capacity to accept oversubscriptions for up to a further 7,563,307 shares to raise an additional \$378,165.

The SPP closed on 7 August 2020 significantly oversubscribed and the Board resolved to accept applications up to the oversubscription amount of \$945,413. Accordingly, 18,908,267 new Shares were issued under the SPP.

ACNS Capital Markets Pty Ltd trading as Alto Capital (**Alto Capital**) acted as lead manager to the Placement and the SPP.

In consideration of providing its lead manager services, Alto Capital are entitled to be paid or issued pursuant to its capital raising mandate:

- a fee equal to 6% of funds raised by Alto Capital from the Placement and SPP (plus GST); and
- 1,000,000 options, exercisable at \$0.10 on or before 30 June 2023 (**Lead Manager Options**).

Spectur is contractually required to seek Shareholder approval for the grant the Lead Manager Options to Alto Capital and, if such approval is obtained (i.e. Resolution 4 is approved), to grant the same.

Resolution 4 is an ordinary resolution seeking approval by Shareholders of the grant of Lead Manager Options to Alto Capital.

5.2 **Applicable Listing Rules**

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

The issue of Lead Manager Options does not fit into the exceptions to this rule in Listing Rule 7.2. Further, the Company does not have capacity to issue the Lead Manager Options under its Listing Rule 7.1 15% issuing capacity.

Resolution 4 seeks the required shareholder approval to the issue of the Lead Manager Options under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to proceed with the grant of the Lead Manager Options to Alto Capital.

If Resolution 4 is not passed, the Company will not be able to proceed with the grant of the Lead Manager Options to Alto Capital.

5.3 **Listing Rule information requirements**

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Resolution 4:

(a) **The names of the persons to whom the securities will be issued or the basis on which those persons will be identified or selected**

The Lead Manager Options will be granted to Alto Capital or its nominees.

Alto Capital is not a Related Party of the Company. As an Australian financial services licensee, it meets the requirements of being a professional investor for the purposes of the Corporations Act. Therefore, securities may be issued to Alto Capital without a prospectus or other disclosure document.

(b) **Number and class of securities to be issued**

1,000,000 Lead Manager Options are to be granted.

(c) **The material terms of the securities**

Each Lead Manager Option will have an exercise price of \$0.10 and an expiry date of 30 June 2023, and is otherwise granted on the terms set out in Schedule 3.

The Lead Manager Options are to form a class of unquoted Options.

(d) **The date or dates on or by which the entity will issue the securities**

The Company will grant the Lead Manager Options to Alto Capital on one date within 3 months after the date of the General Meeting.

The Company anticipates issuing the Lead Manager Options on the day of, or immediately following, the Meeting.

(e) **The issue price of the securities**

The Lead Manager Options will be granted for nil cash consideration. Rather, the Lead Manager Options will be granted in consideration of services performed by Alto Capital as Lead Manager to the Placement and SPP.

(f) **The purpose of the issue, including the intended use of the funds raised**

As noted above, the Lead Manager Options are to be granted in consideration for services performed by Alto Capital as Lead Manager to the Placement and SPP.

If the Lead Manager Options are exercised, the Company will receive up to \$100,000 as the exercise price. These funds will be applied by the Company to its working capital requirements at that time.

(g) **Material terms of issue agreement**

The Lead Manager Options are being granted pursuant to the capital raising mandate entered into by the Company and Alto Capital.

Under the mandate, Alto Capital provided lead manager services to the Company with respect to the Placement and the SPP.

In consideration for providing its lead manager services, Alto Capital are entitled to be paid or issued pursuant to its capital raising mandate:

- a fee equal to 6% of funds raised by Alto Capital from the Placement and SPP (plus GST); and
- 1,000,000 Lead Manager Options.

The Mandate otherwise contains terms and conditions considered standard for agreements of this nature.

5.4 **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 as it will enable the Company to grant the Lead Manager Options in satisfaction of its obligations under the Alto Capital mandate.

6. Resolutions 5 and 6: Approval to Issue Shares to Directors in lieu of fees – Mr Darren Cooper and Mrs Bilyana Smith

6.1 Background

On 20 April 2020, Spectur released its FY20, Q3 Quarterly Activities Report to ASX advising that it had undertaken a range of prudent cost reduction measures implemented in response to the unfolding COVID-19 pandemic, including a reduction in director fees by 20%, effective 27 April 2020.

In addition, the Non-Executive Chairman, Darren Cooper, and Non-Executive Director Bilyana Smith committed to take their remaining director fees in the form of Shares for the 3 months of April, May and June as a cash preservation initiative, subject to any shareholder approvals.

Resolutions 5 and 6 seek Shareholder approval for the issue of Remuneration Shares to Mr Cooper and Mrs Smith respectively in payment of the director fees they would each have otherwise been entitled to receive in cash over the period 1 April to 30 June 2020.

The material terms of Mr Cooper's remuneration were announced to ASX on 5 October 2018, and the material terms of Mrs Smith's remuneration are disclosed in the remuneration report section of the FY2020 financial report.

If Resolution 5 is not approved by Shareholders, the Company will not issue any Remuneration Shares to Mr Cooper. Likewise, if Resolution 6 is not approved by Shareholders, the Company will not issue any Remuneration Shares to Mrs Smith. If either Resolution is not approved, the relevant director's fees will be payable in cash.

6.2 Applicable Listing Rules

Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities (i.e. Shares), or other securities with rights of conversion to equity, to a Related Party without shareholder approval.

Both Mr Cooper and Mrs Smith are Directors and accordingly are Related Parties of the Company.

If Resolutions 5 and 6 are approved, then approval is not required under Listing Rule 7.1 for the issue of the Remuneration Shares pursuant to those Resolutions.

6.3 Chapter 2E of the Corporations Act

As noted in Section 4.4 above, section 208(1) of the Corporations Act (set out in Chapter 2E) restricts the provision of financial benefits (including shares) by public companies to Related Parties without obtaining shareholder approval, unless a statutory exception applies.

Section 211 of the Corporations Act provides that shareholder approval is not required to give a financial benefit in circumstances where the benefit constitutes remuneration which would be reasonable given the company's and the Related Party's circumstances.

Having considered the Company's circumstances and Mr Cooper's position as Non-Executive Chairman, the Board (other than Mr Cooper) has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Remuneration Shares to Mr Cooper. The Remuneration Shares are being issued to him as a part of his remuneration for services provided to the Company in circumstances where the benefit constitutes reasonable remuneration, and therefore within the exception under section 211 of the Corporations Act.

Further, having considered the Company's circumstances and Mrs Smith position as a Non-Executive Director, the Board (other than Mrs Smith) has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of Remuneration Shares to Mrs Smith. The Remuneration Shares are being issued to her as a part of her remuneration for services provided to the Company in circumstances where the benefit constitutes reasonable remuneration, and therefore within the exception under section 211 of the Corporations Act.

6.4 Listing Rule information requirements – Resolution 5

Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to Resolution 5 for the purposes of obtaining approval under Listing Rule 10.11:

(a) **The name of the recipient**

Mr Darren Cooper or his nominee.

(b) **Category of recipient**

Mr Cooper is a Related Party by virtue of being the Non-Executive Chairman of the Company.

(c) **The number and class of securities to be issued**

273,253 Remuneration Shares may be issued.

(d) **Material terms of securities (if not fully paid)**

Each Remuneration Share will be a fully paid ordinary share in the capital of the Company (i.e. a Share) and will rank equally in all respects with the existing Shares then on issue. The Company will apply for quotation of all Remuneration Shares.

(e) **The issue date**

The Company anticipates issuing the Remuneration Shares within 7 business days after the date on which Resolution 5 approval is obtained, but will complete the issue within 1 month of approval being obtained at the Meeting in any event.

(f) **The issue price or consideration**

The Remuneration Shares will be issued in satisfaction of the director fees owed by the Company to Mr Cooper between 1 April and 30 June 2020, being \$16,083.33.

Each Remuneration Share will be issued at a deemed issue price of \$0.0589 (5.89 cents), being the VWAP over the trading days during the period 1 April – 30 June 2020.

(g) **Purpose of the issue**

The Remuneration Shares are to be issued in lieu of \$16,083.33 in director fees otherwise payable by the Company to Mr Cooper for the period 1 April to 30 June 2020.

(h) **Details of remuneration package**

Mr Cooper is entitled to a director fee of \$75,000 per annum (exclusive of any applicable statutory superannuation). He has voluntarily agreed with the Company to reduce this fee to \$60,000 per annum from 27 April 2020 as part of the Board's cost reduction measures during the COVID-19 pandemic.

(i) **Summary of agreement to issue securities**

The Company has agreed with Mr Cooper to issue him the number of Remuneration Shares calculated as follows:

$$N = DF / MP$$

where:

N = the number of Remuneration Shares to be issued to Mr Cooper;

DF = the total cash director fees payable to Mr Cooper in respect of the period 1 April to 30 June 2020 (i.e. \$16,083.33); and

MP = the VWAP of Spectur Shares for the period 1 April – 30 June 2020..

Applying the above formula, 273,253 Remuneration Shares will be issued to Mr Cooper.

The Company will pay (in cash) the statutory superannuation entitlement for Mr Cooper in respect of those director fees.

6.5 Listing Rule information requirements – Resolution 6

Listing Rule 10.13 requires that the following information be provided to the Shareholders in relation to Resolution 6 for the purposes of obtaining approval under Listing Rule 10.11:

(a) **The name of the recipient**

Mrs Bilyana Smith or her nominee.

(b) **Category of recipient**

Mrs Smith is a Related Party by virtue of being a Non-Executive Director of the Company.

(c) **The number and class of securities to be issued**

145,753 Remuneration Shares may be issued.

(d) **Material terms of securities (if not fully paid)**

Each Remuneration Share will be a fully paid ordinary share in the capital of the Company (i.e. a Share) and will rank equally in all respects with the existing Shares then on issue. The Company will apply for quotation of all Remuneration Shares.

(e) **The issue date**

The Company anticipates issuing the Remuneration Shares within 7 business days after the date on which Resolution 6 approval is obtained, but will complete the issue within 1 month of approval being obtained at the Meeting in any event.

(f) **The issue price or consideration**

The Remuneration Shares will be issued in satisfaction of the director fees owed by the Company to Mrs Smith between 1 April and 30 June 2020, being \$8,577.78.

Each Remuneration Share will be issued at a deemed issue price of \$0.0589 (5.89 cents), being the VWAP of Spectur Shares over the trading days during the period 1 April – 30 June 2020.

(g) **Purpose of the issue**

The Remuneration Shares are to be issued in lieu of \$8,577.78 in director fees otherwise payable by the Company to Mrs Smith for the period 1 April to 30 June 2020.

(h) **Details of remuneration package**

Mrs Smith is entitled to a director fee of \$40,000 per annum (exclusive of any applicable statutory superannuation). She has voluntarily agreed with the Company to reduce this fee to \$32,000 per annum from 27 April 2020 as part of the Board's cost reduction measures during the COVID-19 pandemic.

(i) **Summary of agreement to issue securities**

The Company has agreed with Mrs Smith to issue her the number of Remuneration Shares calculated as follows:

$$N = DF / MP$$

where:

N = the number of Remuneration Shares to be issued to Mrs Smith;

DF = the total cash director fees payable to Mrs Smith in respect of the period 1 April to 30 June 2020 (i.e. \$8,577.78); and

MP = the VWAP of Spectur Shares for the period 1 April – 30 June 2020.

Applying the above formula, 145,753 Remuneration Shares will be issued to Mrs Smith.

The Company will also pay (in cash) the statutory superannuation entitlement for Mrs Smith in respect of those director fees.

6.6 Directors' recommendation – Resolution 5

The Directors (other than Mr Cooper) recommend that Shareholders vote in favour of Resolution 5, as the Directors (other than Mr Cooper) consider that the issue of the Remuneration Shares to Mr Cooper is a reasonable and appropriate method to provide cost effective and efficient remuneration, as the non-cash form of this benefit will allow the Company to spend a greater portion of its available cash on its operations than it would if alternative cash forms of remuneration were given to Mr Cooper.

6.7 Directors' recommendation – Resolution 6

The Directors (other than Mrs Smith) recommend that Shareholders vote in favour of Resolution 6, as the Directors (other than Mrs Smith) consider that the issue of the Remuneration Shares to Mrs Smith is a reasonable and appropriate method to provide cost effective and efficient remuneration, as the non-cash form of this benefit will allow the Company to spend a greater portion of its available cash on its operations than it would if alternative cash forms of remuneration were given to Mrs Smith.

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

Alto Capital	ACNS Capital Markets Pty Ltd (ACN 088 503 208) trading as Alto Capital.
Annual General Meeting or Meeting	The annual general meeting of Shareholders or any adjournment thereof, convened by this Notice.
Annual Report	The annual report of the Company for the financial year ended 30 June 2020, including the annual financial report, the Directors' report and the Auditor's report.
Associate	Has the meaning given to that term in the Listing Rules.
ASX	ASX Limited (ACN 008 624 691), including the financial market operated by it known as the Australian Securities Exchange.
Auditor	The auditor of the Company, being HLB Mann Judd at the date of this Notice.
Board	The Company's Board of Directors.
Chairman	The Company's non-executive chairman, Mr Darren Cooper.
Closely Related Party	Has same meaning given to it in section 9 of the Corporations Act, being, in relation to a member of Key Management Personnel: <ul style="list-style-type: none">(a) a spouse or child of the member;(b) a child of the member's spouse;(c) a dependent of the member or the member's spouse;(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;(e) a company the member controls; or(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) (currently none are prescribed).
Company	Spectur Limited (ACN 140 151 579).
Company Secretary	The Company Secretary of the Company at the time of the Meeting, being Mrs Suzie Foreman.
Constitution	The Constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Employee Incentive Plan	The Company's Employee Incentive Plan adopted at the Company's annual general meeting held on 22 October 2019, a summary of which is set out in Schedule 2.

Equity Security	Has the meaning given to that term in Listing Rule 19.12, being: <ul style="list-style-type: none"> (a) a share; (b) a unit; (c) a right to a share or unit or option; (d) an option over an issued or unissued security; (e) a convertible security; (f) any security that ASX decides to classify as an equity security; (g) but not a security that ASX decides to classify as a debt security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Glossary	This glossary of terms.
Key Management Personnel	Has the same meaning as the definition of that term in section 9 of the Corporations Act, being those persons details of whose remuneration are included in the Remuneration Report having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Lead Manager Option	An Option granted on the terms set out in Schedule 3.
Listing Rules	The listing rules of ASX, as amended from time to time.
MD Performance Right	A Performance Right on the terms and conditions set out in Schedule 1 of this Explanatory Statement.
Meeting Chairperson	The chairperson of the Meeting.
Notice or Notice of Annual General Meeting	The notice of Annual General Meeting which accompanies this Explanatory Statement.
Performance Right	A right to be issued a Share on the satisfaction of specified performance milestones.
Placement	Means the Placement of 11,344,960 Shares by the Company, at \$0.05 each, raising \$567,248 before costs, completed on 16 July 2020 (Placement).
Proxy Form	The proxy form accompanying the Notice.
Related Party	Has the meaning given to that term in the Listing Rules.
Remuneration Report	The remuneration report of the Company for the period ended 30 June 2020, appearing in the Director's report as set out in the Annual Report.
Resolution	A resolution set out in the Notice.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A registered holder of a Share.
VWAP	The volume-weighted average price of Shares traded on ASX.
WST	Australian Western Standard Time being the time in Perth, Western Australia.

Schedule 1 – Terms and Conditions of MD Performance Rights

1. **Employee Incentive Plan**

Each MD Performance Right is granted under the Employee Incentive Plan adopted by the Company and in effect at the date that the MD Performance Rights are granted (**Plan**).

2. **Entitlement**

2.1 Each MD Performance Right entitles the holder (**Holder**) to subscribe for and be issued with one fully paid ordinary share in the capital of the Company (**Share**), on and subject to:

- (a) the Rules of the Plan (**Plan Rules**);
- (b) the “Offer” (as defined in the Plan Rules) pursuant to which the MD Performance Rights were offered by the Company to a “Participant” under the Plan (**Offer**); and
- (c) these terms and conditions.

2.2 The documents referred to in item 2.1 are to be interpreted in the order of precedence set out in that item such that the provisions of a document higher in precedence prevail to the extent of any conflict or inconsistency with the provisions of any other document lower in precedence.

2.3 Capitalised terms which are defined in the Plan Rules have, when used in these terms, the meaning given to them under the Plan Rules, unless expressly stated otherwise.

3. **No payment on grant**

The Holder is not required to pay any amount to the Company for the grant of a MD Performance Right.

4. **Period of operation**

Each MD Performance Right will come into effect upon grant and will operate until 5:00pm (AWST) on the date falling 12 months from the date that the Company’s audited financial statements for the financial year ending 30 June 2023 are reported (**End Date**), unless cancelled earlier in accordance with its terms.

5. **Quotation**

The Company will not apply for quotation of the MD Performance Rights on the Australian Securities Exchange (**ASX**).

6. **Transferability**

MD Performance Rights are not transferable other than as permitted under the Plan Rules or with the consent of the Board (at its absolute discretion).

7. Performance Hurdles

7.1 The MD Performance Rights are subject to “Performance Hurdles” under the Plan Rules (**Performance Hurdles**) as follows:

Performance Hurdles		Percentage of MD Performance Rights in respect of which Performance Hurdle is satisfied
Company’s Earnings Per Share (EPS) (Cents per share)	Company Share price and Total Shareholder Return (TSR)*	
1.2 cents	\$0.30 (396%)	100%
>0.1 cent up to 1.2 cents	>\$0.20 to \$0.30 (231% to 396%)	Pro-rata between 70% and 100%
+ve >0.1 cent	\$0.20 (231%)	70%
<0.1 cent	<\$0.20	0%

* Percentage change based upon change from 5-day trading VWAP for commencement of FY2021 of \$0.0605.

7.2 The Performance Hurdles are weighted on the basis that:

- (a) 75% of the MD Performance Rights are measured against the Performance Hurdle relating to EPS; and
- (b) 25% of the MD Performance Rights are measured against the Performance Hurdle relating to TSR.

7.3 The status of the Performance Hurdles will be measured as at 30 June 2023 (**Measurement Date**) by reference to the Company’s audited financial statements for the financial year ending 30 June 2023.

7.4 For the purposes of measuring satisfaction of the Performance Hurdles:

- (a) EPS will be calculated as follows:

$$EPS = NPAT / WS$$

where:

NPAT is the Company’s statutory net profit after tax as reported by the Company in its annual financial statements for the financial year ending immediately prior to the Measurement Date; and

WS is the weighted number of Shares on issue for the financial year ending immediately prior to the Measurement Date; and

- (b) TSR will be calculated as follows:

$$TSR = ((EP - SP) + DP) / SP$$

where:

SP is the volume weighted average price of Shares traded on ASX over the first 5 trading days of the financial year in which the MD Performance Rights are granted;

EP is the volume weighted average price of Shares traded on ASX over the 30 trading days of the financial year ending immediately prior to the Measurement Date; and

DP is the average amount of dividends paid by the Company per Share during the period from the date that the MD Performance Rights are granted until the Measurement Date.

8. Vesting Conditions

The MD Performance Rights are subject to the following “Vesting Conditions” under the Plan Rules:

- (a) the satisfaction of the Performance Hurdles in accordance with item 7 and
- (b) subject to item 11, the “Participant” (as defined in the Plan Rules) to whom the MD Performance Rights are offered by the Company (**Participant**), whether the Holder or not, remaining employed by the Company or any other of its related bodies corporate at the Measurement Date.

9. Vesting

Each MD Performance Right will vest in the Holder and become exercisable following the satisfaction of the Vesting Conditions.

10. Expiry and Cancellation

10.1 All MD Performance Rights which have not vested will automatically lapse and will be cancelled on the End Date.

10.2 All MD Performance Rights which have vested before the End Date but have not been exercised will be deemed to have been exercised immediately prior to the End Date unless the Holder notifies the Company otherwise in writing prior to the issue of Shares.

11. Pro-Rata Reduction

If the Participant ceases to be employed by the Company or any other of its related bodies corporate at or prior to the Measurement Date in the circumstances set out in rule 7.2 of the Plan Rules, the Board may determine in its discretion that a percentage of the unvested MD Performance Rights held by the Holder will lapse in accordance with the following formula:

$$A = (B / 1,095) \times C$$

where:

A is the number of unvested MD Performance Rights that will remain in effect;

B is the number of days elapsed from the date that the MD Performance Rights were granted until the date that the Participant ceases employment; and

C is the total number of unvested MD Performance Rights held by the Holder.

12. Early Pro Rata Vesting on Trigger Event

If rule 11.3 of the Plan Rules applies:

- (a) the Board may determine to waive the Vesting Conditions in relation or all any number of the unvested MD Performance Rights; and
- (b) upon a “Trigger Event” (as that term is defined in the Plan Rules) occurring, a number of the unvested MD Performance Rights will vest in accordance with the following formula:

$$A = (B / 1,095) \times C$$

where:

A is the number of MD Performance Rights that will vest (subject to the limitations on the number of Shares which may be issued, under rules 11.3(b);

B is the number of elapsed from the date that the MD Performance Rights were granted until the relevant Trigger Event is announced or an agreement for the implementation of the Trigger Event is signed with the Company, whichever is the earlier in time; and

C is the total number of unvested MD Performance Rights held by the Holder.

13. Exercise

- 13.1 Vested MD Performance Rights may only be exercised by notice in writing to the Company (**Notice of Exercise**), the form of which may be specified in the Offer or otherwise by the Company in writing, on or before the End Date.
- 13.2 Any Notice of Exercise for a MD Performance Right received by the Company will be deemed to be a notice of the exercise of the MD Performance Rights specified in that notice as at the date of receipt. MD Performance Rights may only be exercised in multiples of 1,000 unless fewer than 1,000 MD Performance Rights are held, or the Board otherwise agrees.
- 13.3 The Holder is not required to pay any exercise price or fee upon the exercise of vested MD Performance Rights.
- 13.4 The Company must issue the relevant number of Shares to the Holder within 10 business days after receiving the Notice of Exercise.
- 13.5 The Holder must provide with or at the same time as a Notice of Exercise:
- (a) the "Certificate" (as defined in the Plan Rules) for the MD Performance Rights, or documentary evidence satisfactory to the Board that the Certificate was lost or destroyed; and
 - (b) where required by the Company in accordance with rule 15 of the Plan Rules, payment in full of the amount of "Withholding Tax Amount" that the Company is required to remit as a result of the exercise of the MD Performance Rights.

14. Issue of Shares

The Share issued upon exercise of a MD Performance Rights will rank equally in all respects with the Company's ordinary shares then on issue. The Company will apply to the ASX for official quotation of those Shares after they are issued.

15. Rights of Participation

15.1 New issues

- (a) A MD Performance Right does not confer or the Holder any participation or entitlement right inherent in holding Shares or other securities in the Company.
- (b) A Holder will not be entitled to participate in any new issue of Shares or other securities in the Company to the Company's shareholders unless and to the extent that the Holder has exercised their vested MD Performance Rights and been issued new Shares before the record date for determining entitlements to the new issue of Shares or securities and participate as a result of holding Shares.
- (c) The Company must give the Holder notice of any proposed new issue of Shares or other securities in the Company to the Company's shareholders, in accordance with the Listing Rules.

15.2 Bonus or pro rata issues

If the Company makes a bonus issue or pro rata issue of Shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) after the grant of the MD Performance Rights, but before the expiry of those MD Performance Rights or the issue of a Share on exercise of the same, then the number of underlying Shares over which the vested MD Performance Right is exercisable will be adjusted in accordance with the Listing Rules.

16. Reorganisations

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company (**Reorganisation**), then:

- (a) the rights of the Holder (including the number of MD Performance Rights to which the Holder is entitled) will be adjusted in accordance with the Listing Rules applicable at the date of the Reorganisation;
- (b) any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Holder; and
- (c) the Company must, within a reasonable period, give to the Holder notice of any change to the number of Shares which the Holder is entitled to subscribe for on exercise of vested MD Performance Rights and other changes to the MD Performance Rights as required by the Listing Rules.

17. Legal and Regulatory Requirements

17.1 Approvals

The exercise of a vested MD Performance Right is subject to the Company first obtaining all required legal, regulatory and shareholder consents or approvals in relation to the same.

17.2 Takeovers

- (a) If the exercise of a vested MD Performance Right (or any number of MD Performance Rights) would result in any person contravening section 606 of the *Corporations Act 2001* (Cth) (**Takeover Restriction**), then any purported exercise of those MD Performance Rights (or any part thereof) and related issue of Shares will be:
 - (i) subject to the requirements of section 611 of the *Corporations Act 2001* (Cth); and
 - (ii) deferred until such later time or times as such exercise would not result in a contravention of the Takeover Restriction.
- (b) The Company is entitled to assume that the issue of Shares on the exercise of vested MD Performance Rights will not result in the Holder or any other person being in contravention of the Takeover Restriction, unless the Company has actual notice to the contrary.

17.3 Secondary trading restrictions

- (a) Subject to item 17.3(b), within 5 trading days of issuing Shares on exercise of MD Performance Rights, the Company must lodge with ASX a duly completed notice pursuant to section 708A(5) of the *Corporations Act*, meeting the requirements of section 708A(6) of the *Corporations Act 2001* (Cth) (**Cleansing Statement**).
- (b) If the Company is unable to issue a Cleansing Statement in relation to any Shares issued on exercise of MD Performance Rights for any reason:
 - (i) the Company must within 60 days of receiving a valid notice of exercise under item 13, lodge with the Australian Securities & Investments Commission (**ASIC**) a

prospectus prepared in accordance with Chapter 6D of the *Corporations Act 2001* (Cth) offering Shares (**Cleansing Prospectus**);

- (ii) as an alternative to lodging a Cleansing Prospectus under item 17.3(b)(i), the Company may, in its discretion, apply to ASIC for relief under section 741 of the *Corporations Act 2001* (Cth) to permit the Company to issue a Cleansing Statement (**Relief Application**) notwithstanding that it may not satisfy the requirements set out in section 708A(5) or (6) of the *Corporations Act 2001* (Cth); and
- (iii) the Company is not required to issue the Shares on exercise of the relevant MD Performance Rights until the Cleansing Prospectus is lodged with ASIC or the Relief Application is granted by ASIC.

17.4 **Conflict**

If these terms conflict with or do not comply with the Corporations Act, the Listing Rules or the Company's Constitution, the Option Holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

17.5 **Governing law**

These terms of the MD Performance Rights, and the rights and obligations of the Holder, are governed by the laws of the State of Western Australia and the Commonwealth of Australia (as applicable).

18. **Legal Compliance**

If these terms and conditions conflict with or do not comply with the *Corporations Act 2001* (Cth), the Listing Rules or the Company's Constitution, the Holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to amending these terms and conditions to minimum extent necessary to remedy such conflict or non-compliance.

Schedule 2 – Summary of Employee Incentive Plan

Awards

Under the Employee Incentive Plan, the Company may offer eligible participants equity-based awards, including Shares, Options and Performance Rights (**Awards**).

Eligibility

The persons who are eligible to participate in and be offered Awards under the Employee Incentive Plan include any full time or permanent part time employee, certain contractors (current or prospective) or officer or director of the Company or any related body corporate of the Company.

The Board has the discretion to determine which eligible participants to whom the Company will offer and issue Awards.

Vesting conditions

The vesting of any Award issued under the Employee Incentive Plan may be conditional on the satisfaction of performance and/or service conditions as determined by the Board and advised to the eligible participant in his or her offer documents.

Exercise of Awards

Unless specified in the offer documents, vested Awards issued under the Employee Incentive Plan will not automatically trigger the issue of Shares pursuant to those Awards. However, a participant will be entitled to exercise the Award in accordance with the terms contained in the offer document to the participant and the rules of the Employee Incentive Plan.

The exercise of Awards must be for a minimum number of multiple of Shares (if any) specified in the terms of the offer documents.

Price

At the discretion of the Board, Awards issued under the Employee Incentive Plan may be issued at no cost to the participants and without the participant needing to pay a subscription price or exercise price. However, Awards, once vested, may be subject to payment of an exercise price by the participant (e.g. an exercise price under an Option), which exercise price will be determined by the Board and advised to the participant in the individual's offer documents.

Lapse/forfeiture

Awards issued under the Employee Incentive Plan will lapse or be forfeited on the earliest of:

- any expiry date applicable to the Award;
- any date which the Board determines that vesting conditions (including performance hurdles) applicable to the Award must be satisfied by, unless waived by the Board;
- the participant:
 - voluntarily resigns from employment with the Company or terminates his or her contract of engagement with the Company, other than to take up employment or engagement with a related body corporate;
 - is dismissed from employment, is removed from his or her position with the Company, or has their contract of engagement terminated for breach of contract, negligence or an act which justifies summary termination at law;

- ceases his or her employment, engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restraints; or
- is ineligible to hold his or her office pursuant to the Corporations Act;
- the participant dealing in respect of the securities in contravention of the Employee Incentive Plan; and
- the Board determining that a participant has committed an act of fraud, is ineligible to hold the office for the purposes of Part 2D.6 of the Corporations Act or is found to have acted in a manner that the Board considers to constitute gross misconduct.

Board may elect to settle Awards in cash

If the Board determines that it is not appropriate for tax, legal, regulatory or compliance reasons to issue or transfer Shares under the Employee Incentive Plan, the Company may, in lieu and final satisfaction of the Company's obligation to issue or transfer Shares as required upon the exercise of an Award by a participant, make a cash payment to the participant in accordance with the terms of the Employee Incentive Plan.

Waiving the restriction period

The Board may waive or shorten the restriction period imposed on an Award issued under the Employee Incentive Plan.

Any restriction period imposed on an Award will be specified in the individual offer documents to the participant.

Change of Control

On the occurrence of a Change of Control (as defined in the rules of the Employee Incentive Plan), the Board will determine, in its sole and absolute discretion, the manner in which all vested and unvested Awards issued under the Employee Incentive Plan shall be dealt with.

Takeover events

The vesting and other conditions applicable to unvested or restricted Awards will be released if:

- a takeover bid is made in respect of the Company under which acceptances have been received for more than 50% of the Shares on issue and the bid is declared unconditional by the bidder; or
- a court grants orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies.

The release of conditions will only apply in relation to Awards representing 10% of the Shares on issue at the date of the relevant trigger event, and will otherwise apply proportionately across each class of restricted Awards and holders of those Awards.

No dealing or hedging

Dealing restrictions apply to restricted Awards issued under the Employee Incentive Plan in accordance with the rules of the Employee Incentive Plan and the Company's securities trading policy. Participants are prohibited from hedging or otherwise protecting the value of unvested Awards issued under the Employee Incentive Plan.

Rights attaching to Shares

Shares issued under the Employee Incentive Plan will rank equally with all existing Shares of the Company on and from the date of issue or transfer, including any applicable dividend and voting rights.

Company may issue or acquire Shares

The Company may, in its discretion, either issue new Shares or acquire Shares already on issue for transfer to a participant, or a combination of both, to satisfy the Company's obligations under the Employee Incentive Plan.

Adjustments

The Board may make any adjustment it considers appropriate to the terms of an Award issued under the Employee Incentive Plan in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction.

Dilution limit

The number of Shares that may be issued upon exercise of Awards issued under the Employee Incentive Plan is set with regard to the limits prescribed under ASIC Class Order 14/1000 with respect to employee share scheme offers made without a prospectus.

In summary, these limits provide that the number of Shares that may be issued, when aggregated with a number of Shares issued during the previous 3 years from Share issues under all employee share schemes established by a company (including as a result of exercise of options to acquire Shares granted to the previous 3 years under any such employee share scheme), must not exceed 5% of the total number of Shares on issue.

Certain unregulated offers are excluded from this calculation, including offers to senior managers (e.g. Directors) and persons to whom securities may be offered without a prospectus or other disclosure document.

Continued operation of the plan

The Employee Incentive Plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the Listing Rules.

Schedule 3 – Terms of Lead Manager Options

1. Grantor

The grantor of the Lead Manager Options is Spectur Limited (ACN 140 151 579) (**Company**).

2. Entitlement

Each Lead Manager Option entitles the holder of that Lead Manager Option (**Option Holder**) to subscribe for one fully paid ordinary share in the Company (**Share**), subject to and in accordance with these terms.

3. No payment on grant

The Option Holder is not required to pay any amount on the grant of a Lead Manager Option.

4. Exercise price

The exercise price of each Lead Manager Option is \$0.10 (**Exercise Price**).

5. Expiry

Each Lead Manager Option may be exercised at any time before 5.00pm (WST) on 30 June 2023 (**Expiry Date**). Any Lead Manager Option not exercised by the Expiry Date will automatically expire.

6. Certificate or Holding Statement

The Company must give the Option Holder a certificate or holding statement stating:

- (a) the number of Lead Manager Options issued to the Option Holder;
- (b) the Exercise Price of the Lead Manager Options; and
- (c) the date of issue of the Lead Manager Options.

7. Transfer

7.1 A Lead Manager Option is transferable, subject to any restrictions on transfer under the *Corporations Act 2001* (Cth) (**Corporations Act**) or the Listing Rules of the Australian Securities Exchange (**ASX**).

7.2 Subject to the Corporations Act or the Listing Rules, the Option Holder may transfer some or all of the Lead Manger Options at any time before the Expiry Date by:

- (a) a proper ASX Settlement Pty Ltd transfer or any other method permitted by the Corporations Act; or
- (b) a prescribed instrument of transfer.

8. Quotation

8.1 The Lead Manager Options will form a class of unquoted securities.

8.2 The Company will apply to ASX for official quotation of the Shares issued on exercise of Lead Manager Options.

9. New issues

The Option Holder is not entitled to participate in any new issue to the Company's shareholders of securities in the Company unless they have exercised their Lead Manager Options before the record

date for determining entitlements to the new issue of securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules.

10. Bonus issues

If the Company makes a bonus issue of Shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Lead Manager Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Lead Manager Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Lead Manager Option before the record date for determining entitlements to the issue.

11. Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Lead Manager Option before the record date for determining entitlements to the issue, the Exercise Price of each Lead Manager Option will be reduced in accordance with the Listing Rules.

12. Reorganisation

- 12.1 If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Lead Manager Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- 12.2 Any calculations or adjustments which are required to be made will be made by the Company's Board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- 12.3 The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Lead Manager Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a Lead Manager Option.

13. Exercise

- 13.1 To exercise Lead Manager Options, the Option Holder must give the Company or its securities registry, at the same time:
- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Lead Manager Options being exercised and Shares to be issued;
 - (b) payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company; and
 - (c) any certificate for the Lead Manager Options.
- 13.2 The Option Holder may only exercise Lead Manager Options in multiples of 10,000 Lead Manager Options unless the Option Holder exercises all Lead Manager Options held by the Option Holder.
- 13.3 Lead Manager Options will be deemed to have been exercised on the date the exercise notice is lodged with the Company.

14. Re-issue of certificate or holding statement

If the Option Holder exercises less than the total number of Lead Manager Options registered in the Option Holder's name:

- (a) the Option Holder must surrender their Lead Manager Option certificate (if any); and
- (b) the Company must cancel the Lead Manager Option certificate (if any) and issue the Option Holder a new Lead Manager Option certificate or holding statement stating the remaining number of Lead Manager Options held by the Option Holder.

15. Issue

- 15.1 Within 10 days after receiving an application for exercise of Lead Manager Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
- 15.2 Subject to the Company's Constitution, all Shares issued on the exercise of Lead Manager Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

16. Legal and Regulatory Requirements

16.1 Approvals

The exercise of Lead Manager Options is subject to the Company first obtaining all required legal, regulatory and shareholder consents or approvals in relation to the same (if any).

16.2 Takeovers

- (a) If the exercise of an Lead Manager Option (or any number of Lead Manager Options) would result in any person contravening section 606 of the Corporations Act (**Takeover Restriction**), then any purported exercise of those Lead Manager Options (or any part thereof) and related issue of Shares will be:
 - (i) subject to the requirements of section 611 of the Corporations Act; and
 - (ii) deferred until such later time or times as such exercise would not result in a contravention of the Takeover Restriction.
- (b) The Company is entitled to assume that the issue of Shares on the exercise of Lead Manager Options will not result in the Option Holder or any other person being in contravention of the Takeover Restriction, unless the Company has actual notice to the contrary.

16.3 Secondary trading restrictions

If the Lead Manager Options are not granted under a prospectus or other disclosure document in accordance with Chapter 6D of the Corporations Act:

- (a) subject to item 16.3(b), within 5 trading days of issuing Shares on exercise of Lead Manager Options, the Company must lodge with ASX a duly completed notice pursuant to section 708A(5) of the Corporations Act, meeting the requirements of section 708A(6) of the Corporations Act (**Cleansing Statement**);
- (b) if the Company is unable to issue a Cleansing Statement in relation to any Shares issued on exercise of Lead Manager Options for any reason:
 - (i) the Company must within 60 days of receiving a valid notice of exercise, lodge with the Australian Securities & Investments Commission (**ASIC**) a prospectus prepared in accordance with Chapter 6D of the Corporations Act offering Shares (**Cleansing Prospectus**);
 - (ii) as an alternative to lodging a Cleansing Prospectus under item 16.3(b)(i), the Company may, in its discretion, apply to ASIC for relief under section 741 of the Corporations Act to permit the Company to issue a Cleansing Statement (**Relief**).

Application) notwithstanding that it may not satisfy the requirements set out in section 708A(5) or (6) of the Corporations Act; and

- (iii) the Company is not required to issue the Shares on exercise of the relevant Lead Manager Options until the Cleansing Prospectus is lodged with ASIC or the Relief Application is granted by ASIC.

16.4 **Conflict**

If these terms conflict with or do not comply with the Corporations Act, the Listing Rules or the Company's Constitution, the Option Holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.

16.5 **Governing law**

These terms of the Lead Manager Options, and the rights and obligations of the Option Holder, are governed by the laws of the State of Western Australia and the Commonwealth of Australia (as applicable).

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **11.00am (WST) on Sunday, 25 October 2020**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

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

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

