

Notice of 2019 Annual General Meeting

OptiComm Limited ACN 117 414 776

Date	Friday, 22 November 2019
Time	12pm (Australian Eastern Daylight Savings Time)
Venue	“The Business Centre”, Collins Square, 727 Collins Street Melbourne VIC 3000

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the annual general meeting of OptiComm Limited (**Company**) will be held at "The Business Centre", Collins Square, 727 Collins Street Melbourne VIC 3000 at 12pm Australian Eastern Daylight Time (**AEDST**) on Friday, 22 November 2019 (**AGM** or **Meeting**).

This notice of AGM (**Notice**) is an important document and should be read in its entirety. The explanatory memorandum attached to this Notice (**Explanatory Memorandum**) provides additional information on matters to be considered at the Meeting. The accompanying important notices, Explanatory Memorandum, glossary and the proxy form also form part of this Notice.

ITEMS OF BUSINESS

ITEM 1: Financial statements and reports

To receive and consider the Company's financial report, the Directors' report and the auditor's report for the financial year ended 30 June 2019.

Shareholders can review the Company's Annual Report which contains the Directors' report and the Auditor's report for the 2019 financial year <https://investors.opticomm.net.au/investor-centre/>

Note: No resolution is required for this item of business.

ITEM 2: Remuneration Report

Resolution 1 – Adoption of Remuneration Report

To consider the Remuneration Report as it appears in the Annual Report for the Company (**Remuneration Report**) for the financial year ended 30 June 2019 and, if thought fit, pass the following non-binding resolution as an ordinary resolution:

"That the Remuneration Report for the financial year ended 30 June 2019 be adopted."

Note:

- (a) The Remuneration Report is contained in the 2019 Annual Report (available at <https://investors.opticomm.net.au/investor-centre/>)
- (b) In accordance with section 250R(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the vote on this ordinary resolution is advisory only and does not bind the Directors or the Company.
- (c) Voting restrictions apply to this resolution. See paragraphs 12 to 15 of this Notice for further details.

ITEM 3: Appointment of Company auditor

Resolution 2 – Appointment of BDO Audit as Company auditor

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purpose of section 327B(1)(a) of the Corporations Act and for all other purposes, BDO Audit Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as the auditor for the Company."

Note: BDO Audit is the existing auditor but is formally nominated for re-appointment under section 328B of the Corporations Act as this is the Company's first annual general meeting since becoming a public company (as required by section 327B(1)(a) of the Corporations Act). A copy of the nomination is annexed to the Explanatory Memorandum.

ITEM 4: Re-election of Director

Resolution 3 – Re-election of David Redfern as Director

To consider, and, if thought fit, pass the following resolution as an ordinary resolution:

"That, David Redfern, who retires by rotation in accordance with clause 19.3 of the Company's constitution and ASX Listing Rule 14.4 and being eligible for re-election, is elected as a Director of the Company."

Note: Information about the candidate appears in the Explanatory Memorandum.

ITEM 5: Performance Rights

Resolution 4 – Approval of grant of performance rights to Paul Cross under the Performance Rights Plan

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.14 and for all other purposes, the grant of 86,700 Performance Rights to Paul Cross under the Performance Rights Plan on the terms described in the Explanatory Memorandum which forms part of the Notice, is approved."

Note:

- (a) Voting restrictions apply to this resolution. See paragraphs 12 to 15 of this Notice for further details.
- (b) If approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11.

By order of the Board



Allan Brackin, Chairman
14 October 2019

IMPORTANT NOTICES

VOTING ENTITLEMENT

- 1 The Board has determined under regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that for the purpose of voting at the Meeting or an adjourned meeting, shares are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00pm (Australian Eastern Daylight Savings Time) on 20 November 2019.
- 2 If more than one joint holder of shares is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

PROXIES

- 3 A Shareholder who is entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy. A proxy form is enclosed with this Notice.
- 4 A proxy need not be a Shareholder and can be either an individual or a body corporate. If a body corporate is appointed as a proxy, it must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the Meeting.
- 5 A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes (disregarding fractions).
- 6 Unless the proxy is required by law to vote, the proxy may decide whether or not to vote on any particular item of business. If the appointment of proxy directs the proxy to vote on an item of business in a particular way, the proxy may only vote on that item as directed. All directed proxies that are not voted on a poll at the Meeting will automatically default to the Chairman, who is required to vote the proxies as directed. Any undirected proxies on a given resolution may be voted by the appointed proxy as they choose, subject to the voting restrictions described on the following page.
- 7 The Chairman intends to vote all available proxies in favour of each item of business.

Lodgement of proxy forms

- 8 If you wish to appoint a proxy and are entitled to do so, then complete and return the enclosed proxy form.
- 9 To be effective, completed proxy forms (together with any additional documentation such as a power of attorney or appointment of a body corporate representative) must be received by the Company through its share registry by 12pm (Australian Eastern Daylight Savings Time) on 20 November 2019 (48 hours before the AGM), by one of the following methods:
 - a **online:** Shareholders may lodge proxies online by visiting www.linkmarketservices.com.au, selecting 'Voting' and following the prompts. To use this facility you will need your "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the proxy form);
 - b **by mail:** OptiComm Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235, AUSTRALIA;
 - c **by fax:** to +61 2 92870309;
 - d **in person:** Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138; or Level 12, 680 George Street, Sydney NSW, 2000 (during business hours Monday to Friday 9.00am to 5.00pm).

CORPORATE REPRESENTATIVES

- 10 A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been given previously to the Company.

ATTORNEYS

- 11 A Shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed above for the receipt of proxy appointments at least 48 hours before the commencement of the Meeting.

VOTING EXCLUSION STATEMENTS

12 Resolution 1

In accordance with section 250BD of the Corporations Act, a vote must not be cast (in any capacity) on Resolution 1 by or on behalf of a member of the Company's Key Management Personnel (whose remuneration details are contained in the Remuneration Report), or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the Key Management Personnel.

Accordingly, in accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1:

- a by or on behalf of a member of the Company's Key Management Personnel named in the Company's Remuneration Report for the financial year ended 30 June 2019 or their Closely Related Parties, regardless of the capacity in which the vote is cast; or
- b as a proxy by a person who is a member of the Company's Key Management Personnel at the date of the Meeting or their Closely Related Parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Resolution 1 (i.e. is not a Key Management Personnel or a Closely Related Party of a Key Management Personnel):

- a in accordance with a written direction in the proxy form which specifies the way the proxy is to vote (e.g. for, against, abstain) on the resolution; or
- b by the Chairman of the Meeting and the appointment of the Chairman as Proxy does not specify which way the Proxy is to vote on the resolution and expressly authorises the Chairman to exercise the Proxy even though the Resolution is connected with the remuneration of Key Management Personnel.

If you intend to appoint a member of the Key Management Personnel (such as one of the Directors) as your Proxy, please ensure that you direct them how to vote on Resolution 1. If you intend to appoint the Chairman as your Proxy, you can direct them how to vote on Resolution 1 or you can choose not to mark any of the boxes for Resolution 1 and give the Chairman your express authority to vote your undirected Proxy (in which case the Chairman will vote in favour of this item of business).

Note: Key Management Personnel and Closely Related Parties are defined in the Glossary.

13 Resolution 4

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Paul Cross or any of his associates, or any Director of the Company who is eligible to participate in the Performance Rights Plan.

However, the Company need not disregard a vote cast on Resolution 4 if:

- a it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- b it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides (even though the resolution is connected directly or indirectly with the remuneration of Directors).

- 14 If you appoint the Chairman as your proxy (or the Chairman becomes your proxy by default), and you do not direct your proxy how to vote on Resolution 1 and 4 on the proxy form, you will be expressly

authorising the Chairman to exercise your proxy on these items even though the resolution is connected, directly or indirectly, with remuneration of the Key Management Personnel.

15 The Chairman intends to vote all available proxies in favour of all Resolutions.

SHAREHOLDER QUESTIONS

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please email any questions to the Company Secretary, John Phillips at jphillips@opticomm.net.au.

To allow time to collate questions and prepare answers, please submit any questions by 5.00pm (AEDT) on Friday 15 November 2019. Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

SHAREHOLDER ENQUIRIES

16 If you have any questions on how to cast your votes, please call the Company's share registry, Link Market Services, on +61 1300 554 474 or for overseas callers +61 1300 554 474 during business hours Monday to Friday 9.00am to 5.00pm.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of the Notice convening the Meeting. Information relevant to the business to be conducted at the Meeting is provided in this Explanatory Memorandum and the document should be read in full.

ITEMS OF BUSINESS

Ordinary Business

ITEM 1: Financial statements and reports

In accordance with the Corporations Act, the financial report, the Directors' report and auditor's report for the Company for the financial year ended 30 June 2019 will be put before the Meeting.

A brief overview of the financial and operating performance of the Company during the year ended 30 June 2019 will be provided during the Annual General Meeting. While the Corporations Act requires these reports to be given reasonable opportunity to be discussed, neither the Corporations Act nor the Constitution requires Shareholders to vote on, approve or adopt these reports.

Shareholders will have a reasonable opportunity at the Meeting to ask questions or make comments on these reports. The Company's auditor will also be present to address questions.

In addition to asking questions at the Meeting, Shareholders may address written questions to the Chairman about the management of the Company or to the Company's auditor, BDO Audit, if the question is relevant to the content of the auditor's report or the conduct of its audit of the annual financial report to be considered at the AGM.

Note: Under section 250PA(1) Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Meeting is held.

Written questions for the auditor must be delivered on or before Friday 15 November 2019 by 5.00pm (AEDT). Please send any written questions for BDO to:

The Company Secretary
OptiComm Limited
Level 1, 22 Salmon St
Port Melbourne VIC 3207
Australia
or via email to: jphillips@opticomm.net.au.

ITEM 2: Remuneration report

Resolution 1 – Adoption of Remuneration Report

The Corporations Act requires that at a listed Company's annual general meeting, a resolution that the Remuneration Report be adopted be put to the Shareholders. However, this resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is contained within the Annual Report, which is available on the Company website: <https://investors.opticomm.net.au/investor-centre/>.

The Remuneration Report:

- (a) sets out the Company's remuneration arrangements for Directors and other Key Management Personnel of the Company; and
- (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.

Shareholders will have a reasonable opportunity at the meeting to ask questions about or make comments on the Remuneration Report.

Resolution 1 is advisory only and does not bind the Directors or the Company. Nevertheless, the Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when considering future remuneration policies.

As the Resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, makes no recommendation regarding this Resolution.

ITEM 3: Appointment of Company auditor

Resolution 2 – Appointment of BDO Audit as Company auditor

Resolution 2 seeks Shareholder approval for the re-appointment of BDO Audit Pty Ltd as the auditor for the Company.

Under section 327A(2) of the Corporations Act, BDO Audit holds office until the Company's first annual general meeting. Thereafter, section 327B(1)(a) of the Corporations Act requires the Company to appoint an auditor at its first annual general meeting.

In accordance with section 328B(1) of the Corporations Act, notice in writing nominating BDO as auditor has been given to the Company by a Shareholder. A copy of this notice is contained in Attachment A to this Notice. BDO Audit has given, and has not withdrawn, its consent to act as auditor of the Company.

In accordance with section 328B(3) of the Corporations Act, each person to whom notice of the nomination must be made, has been so notified.

The Directors recommend that Shareholders vote in favour of Resolution 2.

ITEM 4: Re-election of Director

Listing Rule 14.5 requires the Company to have at least one director stand for election at each annual general meeting. This rule does not apply to the managing director. In accordance with rule 19.3(c) of the Company's Constitution, where there is no vacancy on the Board and no director is required to retire, then the director who has been longest in office since last being elected must retire.

The Board of OptiComm is comprised of six directors, with Mr Paul Cross as managing director. Of the directors eligible for rotation, Mr David Redfern has been longest in office having been appointed to the Board on 5 May 2014. Accordingly, Mr Redfern will stand for election at the AGM.

Resolution 3 – Re-election of David Redfern as Director

Mr David Redfern was appointed as a non-executive Director of the Company on 5 May 2014 prior to the Company's IPO and ASX listing.

Mr David Redfern is a co-founder of OptiComm and has over 40 years' experience within the telecommunications industry in Australia, primarily as a manufacturer and vendor of communications infrastructure products and systems.

Prior to OptiComm, Mr Redfern was a co-founder and major shareholder of Optimal Cable Services Pty Ltd, an Australian based manufacturer of optical fibre cables, which was created after the acquisition of the USA based Belden Cables factory assets in Australia.

Mr Redfern currently operates a number of other communications technology-based manufacturing and product based businesses in Australia and New Zealand.

The Directors (with Mr Redfern abstaining) recommend that Shareholders vote in favour of Resolution 3.

Resolution 4 – Approval of grant of performance rights to Paul Cross under the Performance Rights Plan

Resolution 4 seeks Shareholder approval for the proposed grant of 86,700 performance rights (**Rights**) to Mr Paul Cross, the Company's Managing Director and Chief Executive Officer, under the Performance Rights Plan.

Each performance right gives the holder the right to one fully paid ordinary share in the Company under the Performance Rights Plan, subject to the satisfaction of stated vesting conditions.

The explanatory notes to Resolution 4 detail the reasons for the issue of these Rights to Mr Cross.

The Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied. These are summarised below.

Shareholder approval

Listing Rule 10.14 requires the approval of ordinary shareholders to issue securities under an employee incentive scheme, such as the Performance Rights Plan, to a Director of the Company. Accordingly, approval for the grant of the Rights to Mr Cross is required under Listing Rule 10.14. Approval of this resolution will result in the grant of Rights to Mr Cross.

Once approval is obtained under Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12 (Exception 4) in relation to any requirement requiring shareholder approval under Listing Rule 10.11. In addition, Exception 14 in Listing Rule 7.2 provides that Listing Rule 7.1 does not apply where Shareholder approval for an issue of securities is obtained under Listing Rule 10.14. This means that, if Shareholder approval is obtained for Resolution 4, approval is not required for the purposes of Listing Rule 7.1.

Chapter 2E of the Corporations Act regulates the provision of financial benefits to related parties by a public company. The issue of Rights to Paul Cross contemplated by Resolution 4 constitutes the provision of a financial benefit to a related party. The Board has formed the view that Shareholder approval under Chapter 2E of the Corporations Act is not required because the issue of Rights to Mr Cross reflects the provision of reasonable remuneration for the purposes of section 211 of the Corporations Act, and accordingly the Company will not also seek approval for the issue of the Rights to Mr Cross, pursuant to section 208 of the Corporations Act.

Purpose of the Performance Rights Plan

The Performance Rights Plan was established by the Company prior to its IPO and ASX listing in August 2019. A summary of the terms of the Performance Rights Plan was set out in the Company's Prospectus dated 15 July 2019 (**Prospectus**).

The Company has established the Performance Rights Plan as a long term incentive to assist in the motivation, retention and reward of the Company's directors, executives and other key employees as determined to be eligible by the Board from time to time. The Board has a discretion to offer awards of performance rights, subject to specified vesting conditions.

Summary of terms of proposed grant of Rights to Mr Cross under the Performance Rights Plan

Subject to approval of Resolution 4, the terms of the Rights to be granted to Mr Cross will be as follows:

Number of Rights to be granted	86,700 Rights, to be granted in one tranche. The number of Rights to be granted to Mr Cross has been calculated by taking 40% of his annual base compensation (base salary of \$395,890 plus 9.5% superannuation) for FY2020 and dividing that by \$2, being the same as the Company's initial listing price for its IPO and ASX listing in August 2019.
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	<p>The Rights, if approved for issue, will form part of Mr Cross's remuneration package and will be in addition to the base remuneration and short term incentive (if any) payable to Mr Cross.</p> <p>Mr Cross's remuneration for the year ended 30 June 2019 is set out in the Remuneration Report (along with the remuneration details of the other Directors). In respect of the year ending 30 June 2020, the board have offered a discretionary cash bonus up to 25% of his base annual salary (inclusive of 9.5% superannuation contribution) under the Company's short term incentive plan, determined with reference to key performance indicators set by the Board.</p>										
Vesting Period	<p>The Rights will vest on 21 August 2022, being the third anniversary from 22 August 2019 (the Base Date), which was the date on which the Company's shares commenced trading on the ASX following its IPO (Performance Period), conditional on the achievement of relevant performance and service conditions measured from such date.</p>										
Vesting Conditions	<p>The vesting conditions are based on the following hurdles:</p> <ul style="list-style-type: none"> a service based hurdle based on continued employment during the Performance Period; and a performance hurdle based on total shareholder return (TSR) during the Performance Period. <p>Service based hurdle</p> <p>Mr Cross must remain employed by OptiComm as an Executive Director/ CEO for the full Performance Period and must continue to be employed as at 21 August 2022 (the Test Date, being the last date of the Performance Period) and must not have given or received notice of termination at this time. This is a qualifying criteria that must be achieved before consideration of the performance hurdle.</p> <p>Performance hurdle</p> <p>The TSR performance hurdle will be tested based on the compound annual growth rate (CAGR) of the Company's TSR over the Performance Period (the three year period commencing on the Base Date and ending on the Test Date).</p> <p>The TSR is tested at the Test Date (being the end of the Performance Period) and will be based on an absolute range of returns, with a maximum grant achieved at a CAGR of 12.5% and above.</p> <p>The table below sets out the proportion of the Rights which will vest depending on the TSR achieved by OptiComm at the Test Date relative to the absolute return range:</p> <table border="1"> <thead> <tr> <th>TSR performance hurdle CAGR of OptiComm TSR (over 3 years)</th><th>% of Performance rights allocation which may be exercised</th></tr> </thead> <tbody> <tr> <td>Less than 7.5%</td><td>0%</td></tr> <tr> <td>>7.5% and <10%</td><td>50% allocation at 7.5% and increasing by a straight line scale to 75% at 10%</td></tr> <tr> <td>>=10% and <12.5%</td><td>75% allocation at 10% and increasing by a straight line scale to 100% at 12.5%</td></tr> <tr> <td>>=12.5%</td><td>100% allocation</td></tr> </tbody> </table> <p>For the purposes of the performance hurdle, "TSR" as at the end of the Test Date means the total shareholder return of OptiComm over the "Performance Period" determined on a CAGR basis by reference to:</p> <ul style="list-style-type: none"> the changes in the Market Value of shares in OptiComm from the Base Date to the Test Date; and 	TSR performance hurdle CAGR of OptiComm TSR (over 3 years)	% of Performance rights allocation which may be exercised	Less than 7.5%	0%	>7.5% and <10%	50% allocation at 7.5% and increasing by a straight line scale to 75% at 10%	>=10% and <12.5%	75% allocation at 10% and increasing by a straight line scale to 100% at 12.5%	>=12.5%	100% allocation
TSR performance hurdle CAGR of OptiComm TSR (over 3 years)	% of Performance rights allocation which may be exercised										
Less than 7.5%	0%										
>7.5% and <10%	50% allocation at 7.5% and increasing by a straight line scale to 75% at 10%										
>=10% and <12.5%	75% allocation at 10% and increasing by a straight line scale to 100% at 12.5%										
>=12.5%	100% allocation										

	<ul style="list-style-type: none"> the value (on a basis determined by the Board from time to time) of any shareholder benefits (including dividends or any other benefits that the Board determines from time to time are to be taken into account) paid or otherwise made available generally to shareholders in the company from the Base Date to the Test Date. “Market Value” means: <ul style="list-style-type: none"> on the Base Date, the initial price at which OptiComm shares were listed on the ASX for its IPO and ASX Listing in August 2019 (which was \$2 per share); on the Test Date, the volume weighted average price (VWAP) of OptiComm’s shares traded on the ASX in the last 5 trading days up to and including the Test Date.
Exercise	If the vesting conditions are met, the Rights will be automatically exercised on the date the Board provides a vesting notice to the holder in accordance with the Performance Rights Plan, subject to the Rights not having expired or been forfeited under the terms of the Performance Rights Plan.
Disposal Restrictions	The Rights may not be transferred or disposed of without the prior written consent of the Board.
Other terms and conditions	<ul style="list-style-type: none"> Rights do not carry any dividend or voting rights prior to vesting. Each vested Right enables Mr Cross (or his nominee, if one is approved by the Board) to be issued or transferred one share, subject to the rules governing the Performance Rights Plan. The Company’s obligation to allocate Shares on vesting of the Rights may be satisfied by issuing new shares or procuring the transfer of the number of shares in respect of which Rights have vested. No amount shall be payable for the grant of the Rights or in respect of the Shares delivered on exercise of the vested Rights. In the event there is any corporate action by, or capital reconstruction in relation to the Company (including but not limited to return of capital), adjustments may be made to the number of Rights and/or the number of Shares to which Mr Cross is entitled upon vesting in accordance with the Listing Rules or in a manner that the Board considers appropriate. Unless otherwise determined by the Board at its discretion, Rights which have not been exercised will expire and cease to exist on the first to occur of: <ul style="list-style-type: none"> Mr Cross ceasing to be employed by the Company or a related company; the fifth anniversary after the time of grant; or the Rights being forfeited in accordance with the Plan rules, being where: <ul style="list-style-type: none"> the performance rights have not vested by the end of the applicable vesting period or the Board determines that the vesting conditions are incapable of being satisfied by the end of the stated vesting period; or the Board determines that Mr Cross participant has committed any act of fraud or gross misconduct in relation to the affairs of the Company or a related company. Under the terms of the Performance Rights Plan, unless the Board decides otherwise, if a prescribed change of control event occurs, all vesting conditions applicable to unvested Rights will be waived. The Rights will not be quoted on the ASX. However, upon exercise of the Rights into Shares, the Company must apply for the official quotation on the ASX of any Shares issued on exercise of a performance rights as prescribed by the ASX Listing Rules.

Rationale for the proposed grant of Rights to Mr Cross

The Directors consider that it is important for the Company to be able to assist in the motivation, retention and reward of executives, by enabling them to share in the rewards of the success and growth of the Company, particularly given the recent ASX listing. The Directors believe that the proposed grant of Rights to Mr Cross is appropriate taking into account his level of experience and contribution to the Company.

The Directors consider that the proposed number of Rights to be granted to Mr Cross and the performance hurdles set are appropriate to:

- motivate Mr Cross to pursue long-term growth and success of the Company (within an appropriate control framework);
- align the interests of Mr Cross, as the Chief Executive Officer and Managing Director, with the long-term interests of the Company's shareholders; and
- ensure a clear correlation between performance and remuneration, in accordance with the Company's remuneration policy.

The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) note that equity-based remuneration can be an effective form of remuneration for executives.

The Remuneration Report also provides details on the Company's approach to remuneration which includes fixed and at risk remuneration.

The Remuneration and Nomination Committee of the Board supports and advises the Board on remuneration practices of the Company.

Required disclosures

For the purposes of Listing Rule 10.15, the following information is provided to Shareholders:

- approval is sought for Mr Cross, who is an executive Director of the Company (Chief Executive Officer and Managing Director);
- the maximum number of Rights that can be granted to Mr Cross under this approval is 86,700 Rights;
- refer above for details of how the number of Rights has been calculated and the relevant price;
- the Rights will be granted for nil financial consideration;
- the Performance Rights Plan was established prior to the Company's IPO and listing on ASX in August 2019 and no Director, associate of a Director or other person referred to in Listing Rule 10.14 has previously received securities under the Performance Rights Plan since it was established;
- subject to the Listing Rules, all Directors are eligible to participate in the Plan. However, subject to Resolution 4 being approved by Shareholders, Mr Cross is the only person referred to in Listing Rule 10.14 currently entitled to participate in the Performance Rights Plan. Any additional people referred to in Listing Rule 10.14 who become entitled to participate in the Performance Rights Plan will not do so until any Shareholder approval required under Listing Rule 10.14 is obtained;
- a voting exclusion statement is set out under Resolution 4 in the Notice; and
- there is no loan attaching to the grant under the Performance Rights Plan; and
- subject to shareholder approval, the Rights are intended to be granted as soon as practicable after the 2019 AGM (but in any event no later than 12 months after the 2019 AGM).

The Board also advises Shareholders that in addition to the Rights proposed to be granted to Mr Cross, other eligible persons who are not Directors may, on recommendation of the Nomination and Remuneration Committee, be considered for participation in the Performance Rights Plan as part of the Company's retention strategy for its key executives. At the date of this Notice, the Board intends to issue 133,636 Rights under the Performance Plan to other non-Director participants with these Rights expected to be granted at or around the same time as the Rights are granted to Mr Cross. However, it is noted that only the issue of Rights under

the Performance Rights Plan to Mr Cross requires approval of Shareholders and is the subject of this Resolution.

The Directors (with Mr Cross abstaining) recommend Shareholders vote in favour of Resolution 4.

GLOSSARY

In this Notice, capitalised words and phrases have the following meanings:

AGM or Meeting means the annual general meeting of the Company to be held on 22 November 2019 pursuant to the Notice.

Annual Report means the consolidated annual report for the Company and its controlled entities for the financial year ended 30 June 2019, available at <https://investors.opticomm.net.au/investor-centre/>.

ASX means ASX Limited ACN 008 624 691.

BDO Audit means BDO Audit Pty Ltd ABN 33 134 022 870.

Board or Directors means the board of directors of the Company.

Chairman means the chairman of the Meeting.

Closely Related Parties is defined in the Corporations Act and, for the purposes of the voting restrictions, includes a Key Management Personnel's spouse, dependant and certain other close family members, as well as any companies controlled by the Key Management Personnel.

Company or OptiComm means OptiComm Limited ACN 117 414 776.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

IPO means initial public offering.

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

Listing Rules means the listing rules of ASX.

Notice means this notice of AGM.

Performance Rights Plan or Plan means the Performance Rights Plan as described in this Notice.

Prospectus means the Company's prospectus lodged with ASIC on 15 July 2019.

Proxy Form means the proxy form which is attached to the Notice.

Remuneration Report means the remuneration report as it appears in the Annual Report.

Resolutions means the resolutions set out in the Notice.

Rights means performance rights to be issued under the Performance Rights Plan.

Share means a share in the capital of the Company, the terms of which are contained in the constitution of the Company.

Shareholder means a registered holder of Shares.

Attachment A - Notice of Nomination of Auditor

The Directors
OptiComm Limited
Level 1, 22 Salmon Street
Port Melbourne VIC 3207

5 October 2019

Dear Directors

NOMINATION OF BDO AS AUDITOR OF OPTICOMM LIMITED

John Phillips (**Shareholder**), a shareholder of OptiComm Limited (**Company**), pursuant to section 328B of the *Corporations Act 2001* (Cth) (**Act**), hereby nominates BDO Audit Pty Ltd to be appointed as auditor of the Company at its 2019 Annual General Meeting.

I consent to the distribution of a copy of this notice of nomination as an attachment to the Notice of Meeting and Explanatory Memorandum for the 2019 Annual General Meeting of the Company as required by section 328B(3) of the Act.

Yours faithfully



John Phillips
Shareholder of OptiComm Limited