

Notice of General Meeting & Proxy Form

Alterra Limited (ASX:1AG) ("Alterra" or "the Company") hereby provides notice it will be holding a General Meeting for shareholders.

The shareholder meeting will be held at HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth, Western Australia on Thursday, 12 December 2019 at 10.30am (WST).



Anthony Fitzgerald
Company Secretary

About Alterra

Alterra is a developer & manager of investment-grade agricultural assets focused on unlocking transformational investments that drive sustainable growth and leave a positive social, environmental and economic legacy. The Company is focused on 'land use change' opportunities in Australia, developing underutilised land and water into the next generation of agricultural assets capable of supplying premium whole foods.

For further enquiries, please contact:

Oliver Barnes, Managing Director

P: (+61) 08 9204 8400

E: obarnes@alterra.com.au



NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at the HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth WA 6000, Western Australia on Thursday, 12 December 2019 at 10.30am (WST).

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

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9204 8400.

Shareholders are urged to attend or vote by lodging the proxy form attached to the Notice

AGENDA.....	3
1. Resolution 1 - Ratification of Prior Issue of Performance Rights to Mr Tyson Bennett	3
2. Resolution 2 - Ratification of Prior Issue of Performance Rights to French's Group 89 Pty Ltd.....	4
3. Resolution 3 - Ratification of Prior Issue of Shares to French's Group 89 Pty Ltd .	4
4. Resolution 4 - Ratification of Prior Issue of Shares to Action Engineering Pty Ltd.	4
5. Resolution 5 - Ratification of Prior Issue of Options to Mr John Poynton.....	5
6. Resolution 6 - Approval of Issue of Performance Rights to Mr Oliver Barnes	5
EXPLANATORY MEMORANDUM.....	7
1. Introduction.....	7
2. Action to be taken by Shareholders	8
3. Resolution 1 - Ratification of Issue of Performance Rights to Mr Tyson Bennett...	8
4. Resolution 2 - Ratification of Issue of Performance Rights to French's Group 89 Pty Ltd	9
5. Resolution 3 - Ratification of Issue of Shares to French's Group 89 Pty Ltd	10
6. Resolution 4 - Ratification of Prior Issue of Shares to Action Engineering Pty Ltd	11
7. Resolution 5 - Ratification of Prior Issue of Options to Mr John Poynton.....	12
8. Resolution 6 - Approval of Issue of Performance Rights to Mr Oliver Barnes	13
Schedule 1 - Definitions.....	17
Schedule 2 - Terms and Conditions of Performance Rights - Mr Tyson Bennett and French's Group 89 Pty Ltd.....	18
Schedule 3 - Terms and Conditions of Incentive Options Mr John Poynton.....	21
Schedule 4 - Terms and Conditions of Performance Rights - Mr Oliver Barnes.....	24
Schedule 5 - Valuation of Performance Rights.....	26

ALTERRA LIMITED

A C N 1 2 9 0 3 5 2 2 1

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of Shareholders of Alterra Limited (Company) will be held at the HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth WA 6000 Western Australia on Thursday, 12 December at 10.30am (WST) (Meeting).

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

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 4.00pm on Tuesday, 10 December 2019 (WST).

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

AGENDA

1. Resolution 1 - Ratification of Prior Issue of Performance Rights to Mr Tyson Bennett

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 2,000,000 Performance Rights under Listing Rule 7.1 to Tyson Bennett on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Tyson Bennett and a person (and their nominee/s) who participated in the issue, or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

2. Resolution 2 - Ratification of Prior Issue of Performance Rights to French's Group 89 Pty Ltd

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 2,000,000 Performance Rights under Listing Rule 7.1 to French's Group 89 Pty Ltd on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of French's Group 89 Pty Ltd and a person (and their nominee/s) who participated in the issue, or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

3. Resolution 3 - Ratification of Prior Issue of Shares to French's Group 89 Pty Ltd

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 1,000,000 Shares under Listing Rule 7.1 to French's Group 89 Pty Ltd on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of French's Group 89 Pty Ltd and a person (and their nominee/s) who participated in the issue, or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

4. Resolution 4 - Ratification of Prior Issue of Shares to Action Engineering Pty Ltd

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 1,177,700 Shares under Listing Rule 7.1 to Action Engineering Pty Ltd on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Action Engineering Pty Ltd and a person (and their nominee/s) who participated in the issue, or an associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

5. Resolution 5 - Ratification of Prior Issue of Options to Mr John Poynton

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

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue of 4,000,000 Options under Listing Rule 7.1 to Mr John Poynton on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr John Poynton and a person (and their nominee/s) who participated in the issue, or any associate of that person (or those persons).

However, the Company need not disregard a vote if:

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

6. Resolution 6 - Approval of Issue of Performance Rights to Mr Oliver Barnes

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

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 11,000,000 Performance Rights to Mr Oliver Barnes (and/or his nominee/s) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Oliver Barnes (and/or his nominee/s), or an associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as a 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 Chairman 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.

Voting Prohibition

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

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

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

Further, in accordance with section 224 of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

However, the above prohibition does not apply if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

BY ORDER OF THE BOARD



Mr Anthony Fitzgerald
Company Secretary

Dated: 11 November 2019

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at HLB Mann Judd Boardroom, Level 4, 130 Stirling Street, Perth WA 6000 Western Australia on Thursday, 12 December 2019 at 10.30am (WST).

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

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

	SECTION / SCHEDULE HEADING	INFORMATION & MEMBER VOTING ELIGIBILITY
Section 2:	Action to be taken by Shareholders	Summarises action to be taken by Members wishing to understand and vote on Resolutions.
Section 3:	Resolution 1 - Ratification of Prior Issue of Performance Rights - Mr Tyson Bennett	ALL MEMBERS
Section 4:	Resolution 2 - Ratification of Prior Issue of Performance Rights - French's Group 89 Pty Ltd	ALL MEMBERS
Section 5:	Resolution 3 - Ratification of Prior Issue of Shares - French's Group 89 Pty Ltd	ALL MEMBERS
Section 6:	Resolution 4 - Ratification of Prior Issue of Shares to Action Engineering Pty Ltd	ALL MEMBERS
Section 7:	Resolution 5 - Ratification of Prior Issue of Incentive Options - Mr John Poynton	ALL MEMBERS
Section 8:	Resolution 6 - Approval of Issue of Performance Rights - Mr Oliver Barnes	ALL MEMBERS
Schedule 1:	Definitions	Key terms defined
Schedule 2:	Terms and Conditions of Performance Rights - Tyson Bennett and French's Group 89 Pty Ltd	Key terms defined
Schedule 3:	Terms and Conditions of Options - John Poynton	Key terms defined
Schedule 4:	Terms and Conditions of Performance Rights - Oliver Barnes	Key terms defined
Schedule 5:	Proxy Form	Proxy Form for Members to appoint proxy and issue voting instructions or authorise discretionary voting.

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

2. Action to be taken by Shareholders

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

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

Please note that:

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

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

3. Resolution 1 - Ratification of Issue of Performance Rights to Mr Tyson Bennett

3.1 General

Resolution 1 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 2,000,000 Performance Rights to Tyson Bennett (who is not a related party or associate of related parties of the Company). As announced on 30 April 2019, the Company has entered into an exclusive technical partner agreement with Mr Bennett to provide business development services for three years. The proposed consideration for these services is purely success based via the issue of 2,000,000 Performance Rights.

These Performance Rights were issued on 6 November 2019 within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 2,000,000 Performance Rights.

3.2 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

3.3 Listing Rule 7.4

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

The Performance Rights were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

The effect of Shareholders passing Resolution 1 by ratifying the issue of the Performance Rights will be to restore the Company's ability to issue further securities, to the extent of 2,000,000 Equity Securities, during the next 12 months.

3.4 Specific information required by Listing Rule 7.5

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

- (a) 2,000,000 Performance Rights were issued on 6 November 2019;
- (b) the Performance Rights were issued as consideration for business development services as described in Section 3.1 and announced on 30 April 2019;
- (c) the Performance Rights were issued on the terms and conditions set out in Schedule 2. Shares issued on conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Performance Rights were issued to Tyson Bennett who is not a related party, or associate of a related party, of the Company;
- (e) there were no proceeds from the Performance Rights issued; and
- (f) a voting exclusion statement is included in the Notice.

3.5 Additional information

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

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

4. Resolution 2 - Ratification of Issue of Performance Rights to French's Group 89 Pty Ltd

4.1 General

Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 2,000,000 Performance Rights to French's Group 89 Pty Ltd who is not a related party or associate of related parties of the Company. As announced on 20 August 2019, the Company has entered into an exclusive local partner agreement with French's Group 89 Pty Ltd to provide local partner services (including local representation, assistance with origination and assessment of investment opportunities and localised production experience) for three years. The proposed consideration for these services is purely success based via the issue of 2,000,000 Performance Rights.

These Performance Rights were issued on 6 November 2019 within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 2,000,000 Performance Rights.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 3.2 above.

4.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is contained in Section 3.3 above.

The effect of Shareholders passing Resolution 2 by ratifying the issue of the Performance Rights will be to restore the Company's ability to issue further securities, to the extent of 2,000,000 Equity Securities, during the next 12 months.

4.4 Specific information required by Listing Rule 7.5

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

- (a) 2,000,000 Performance Rights were issued on 6 November 2019;
- (b) the Performance Rights were issued as consideration for local partner services as described in Section 4.1 and announced on 20 August 2019;
- (c) the Performance Rights were issued on the terms and conditions set out in Schedule 2. Shares issued on conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Performance Rights were issued to French's Group 89 Pty Ltd who is not a related party, or associate of a related party, of the Company;
- (e) there were no proceeds from the Performance Rights issue; and
- (f) a voting exclusion statement is included in the Notice.

4.5 Additional information

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

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

5. Resolution 3 - Ratification of Issue of Shares to French's Group 89 Pty Ltd

5.1 General

Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 1,000,000 Shares to French's Group 89 Pty Ltd who is not a related party or associate of related parties of the Company. As announced on 6 November 2019, the Company has entered into a data access agreement with French's Group 89 Pty Ltd pursuant to which French's Group 89 Pty Ltd will assist the Company in creating, supporting and updating a database in respect of avocado farming.

These Shares were issued on 6 November 2019 within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 1,000,000 Shares.

5.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 3.2 above.

5.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is contained in Section 3.3 above.

The effect of Shareholders passing Resolution 3 by ratifying the issue of the Performance Rights will be to restore the Company's ability to issue further securities, to the extent of 1,000,000 Equity Securities, during the next 12 months.

5.4 Specific information required by Listing Rule 7.5

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

- (a) 1,000,000 Shares were issued on 6 November 2019;
- (b) the Shares were issued at a deemed price of \$0.04 per Share;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to French's Group 89 Pty Ltd who is not a related party, or associate of a related party, of the Company;
- (e) there were no proceeds from the Share issue; and
- (f) a voting exclusion statement is included in the Notice.

5.5 Additional information

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

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

6. Resolution 4 - Ratification of Prior Issue of Shares to Action Engineering Pty Ltd

6.1 General

Resolution 4 seeks the approval of Shareholders pursuant to Listing Rule 7.4 for the issue of 1,177,700 Shares under a placement to Action Engineering Pty Ltd as trustee for the Bennett Family who is not a related party or associate of related parties of the Company. The issue was undertaken in lieu of payment of office rent payable for the first year from 1 June 2019 to 31 May 2020.

These Shares were issued on 12 July 2019 within the Company's 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the 1,177,700 Shares.

6.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is contained in Section 3.2 above.

6.3 Listing Rule 7.4

A summary of Listing Rule 7.4 is contained in Section 3.3 above.

The effect of Shareholders passing Resolution 4 by ratifying the issue of the Performance Rights will be to restore the Company's ability to issue further securities, to the extent of 1,177,700 Equity Securities, during the next 12 months.

6.4 Specific information required by Listing Rule 7.5

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

- (a) 1,177,700 Shares were issued on 12 July 2019;

- (b) the Shares were issued at a deemed price of \$0.04 per Share;
- (c) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Shares were issued to Action Engineering Pty Ltd <Bennett Family A/C> who is not a related party, or associate of a related party, of the Company;
- (e) there were no proceeds from the Share issue; and
- (f) a voting exclusion statement is included in the Notice.

6.5 Additional information

Resolution 4 is an ordinary resolution.

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

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

7. Resolution 5 - Ratification of Prior Issue of Options to Mr John Poynton

7.1 General

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 7.4 for the issue of 4,000,000 Options to Mr John Poynton (or his nominee) as consideration for consulting services to be provided as Chair of the company's Advisory Board (**Options**). The terms and conditions of the Options are set out in Schedule 3.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the issue recognises the experience and consulting advice which Mr John Poynton provides to the Company.

In addition, the Board also believes that remunerating with Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Options to continue to attract and maintain highly experienced and qualified Advisory Board members in a competitive market.

For further details see the Company's announcement of 5 April 2019.

7.2 Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is contained in Section 3.2 above.

A summary of Listing Rule 7.4 is contained in Section 3.3 above.

The Options were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

The effect of Shareholders passing Resolution 5 by ratifying the issue of the Options will be to restore the Company's ability to issue further securities, to the extent of 4,000,000 Equity Securities, during the next 12 months.

7.3 Specific information required Listing Rule 7.5

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

- (a) 4,000,000 Options were issued on 5 April 2019;
- (b) the Options were issued as remuneration for advisory board services, and have a nil issue price;

- (c) the terms and conditions of the Options issued are set out in Schedule 3;
- (d) the Options were issued to Mr John Poynton, who is not a related party, or associate of a related party, of the Company;
- (e) there were no proceeds from the issue of the Options; and
- (f) a voting exclusion statement is included in the Notice.

7.4 Additional information

Resolution 5 is an ordinary resolution.

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

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

8. Resolution 6 - Approval of Issue of Performance Rights to Mr Oliver Barnes

8.1 General

Pursuant to Resolution 6, the Company is seeking Shareholder approval to issue 11,000,000 Performance Rights to the Company's Managing Director, Mr Oliver Barnes (and/or his nominee/s). The Performance Rights are proposed to be issued to Mr Barnes in order to provide a performance linked incentive component to his remuneration package.

8.2 Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

Mr Barnes is a related party of the Company by virtue of being a Director. As the proposed issue of Performance Rights is to a related party of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors (other than Mr Barnes who has taken no part in the Board's consideration of this matter) that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issues as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Performance Rights to Mr Barnes (or his nominee/s) will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

8.3 Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Performance Rights to Mr Barnes:

- (a) the Performance Rights will be issued to Mr Barnes (and/or his nominee/s);
- (b) the maximum number of Performance Rights to be issued is 11,000,000;
- (c) the Performance Rights will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) Mr Barnes is the Company's Managing Director;
- (e) the Performance Rights are being issued for as part of Mr Barnes' remuneration package and have a nil issue price per Performance Right;
- (f) the terms and conditions of the Performance Rights are set out in Schedule 4;
- (g) no funds will be raised from the issue of the Performance Rights; and

- (h) a voting exclusion statement is included in the Notice.

8.4 Chapter 2E

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

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

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

The issue of the Performance Rights constitutes giving a financial benefit and Mr Barnes is a related party of the Company by virtue of being a Director.

Whilst the Board (other than Mr Barnes) is of the view that the proposed issue of the Performance Rights constitutes reasonable remuneration, out of an abundance of caution and for good corporate governance, the Company is seeking approval for the purposes of Chapter 2E of the Corporations Act in respect of the proposed issued of the Performance Rights pursuant to Resolution 6.

8.5 Information requirements for Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Performance Rights:

- (a) **Identity of the related parties to whom Resolution 6 permit financial benefits to be given**

The Performance Rights will be issued to Mr Barnes (and/or his nominee/s).

- (b) **Nature of the financial benefit**

Resolution 6 seek approval from Shareholders to allow the Company to issue the Performance Rights to Mr Barnes (and/or his nominee/s). The Performance Rights are to be issued in accordance with Mr Barnes' remuneration package and otherwise on the terms and conditions in Schedule 4.

The Shares to be issued upon conversion of the Performance Rights will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

- (c) **Valuation of financial benefit**

Using a Monte Carlo valuation model, the independent valuation of the Performance Rights is in Schedule 5, with a summary below:

Director	Value of Performance Rights					
	Class A	Class B	Class C	Class D	Class E	TOTAL
Oliver Barnes	\$8,250	\$7,950	\$11,400	\$6,400	\$12,000	\$46,000

- (d) **Remuneration of Mr Barnes**

The total annual remuneration arrangements current for Mr Barnes as at the date of this Notice is \$230,000, exclusive of superannuation.

(e) **Existing relevant interests**

At the date of this Notice, Mr Barnes holds the following relevant interests in Equity Securities of the Company:

Related Party	Shares	Unquoted Options
Mr Oliver Barnes	257,000	Nil

Assuming that Resolution 6 is approved by Shareholders, all of the Performance Rights are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised, Mr Barnes' interest would represent approximately 7% of the Company's expanded capital.

(f) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.042 per Share on 23 September 2019, 4 and 22 October 2019

Lowest: \$0.031 per Share on 6 November 2019

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.031 per Share on 6 November 2019.

(g) **Dilution**

The issue of the Performance Rights will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Performance Rights vest and are exercised. The potential dilution effect is summarised below:

Performance Rights	Dilutionary effect
Class A	0.99%
Class B	0.99%
Class C	1.32%
Class D	1.32%
Class E	2.60%

The above table assumes the current Share capital structure as at the date of this Notice (being 149,777,688 Shares on 6 November 2019) and that no Shares are issued other than the Shares issued on exercise of the Performance Rights. The exercise of all of the Performance Rights will result in a total dilution of all other Shareholders' holdings of 6.84% on a fully diluted basis (assuming that all Performance Rights are exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) **Corporate governance**

Mr Barnes is an executive director of the Company and therefore the Board believes that the grant of the Performance Rights is in line with Recommendation 8.2 of the 3rd and 4th editions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

(i) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Performance Rights (including fringe benefits tax).

(j) Director recommendations

The Directors, other than Mr Barnes who declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of the Resolution, recommend that Shareholders vote in favour of Resolution 6 for the following reasons:

- (i) the grant of the Performance Rights is a reasonable benefit to recognise future performance by Mr Barnes;
- (ii) the grant of the Performance Rights will further align the interests of Mr Barnes with those of Shareholders to increase shareholder value;
- (iii) the issue of the Performance Rights provides Mr Barnes with incentives to focus on superior performance in creating shareholder value;
- (iv) the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Barnes; and
- (v) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights upon the terms proposed.

(k) Other information

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 6.

Schedule 1 - Definitions

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

\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors of the Company.

Chair or **Chairman** means the person appointed to chair the Meeting of the Company convened by the Notice.

Closely Related Party means:

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

Company means Alterra Limited ACN 129 035 221.

Constitution means the constitution of the Company as at the date of the Meeting.

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

Director means a director of the Company.

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

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

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

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of general meeting.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the last Annual Report.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day has the same meaning as in the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 - Terms and Conditions of Performance Rights - Mr Tyson Bennett and French's Group 89 Pty Ltd

1. Consideration

The Performance Rights will be issued for no consideration.

2. Vesting and conversion

(a) The Performance Rights will vest as follows:

(i) **(Conversion upon satisfaction of Vesting Condition 1)** 1 million Performance Rights will convert into 1 million Shares upon satisfaction of Vesting Condition 1;

(ii) **(Conversion upon satisfaction of Vesting Condition 2)** 1 million Performance Rights will convert into Shares upon satisfaction of Vesting Condition 2,

(together, the **Vesting Conditions**).

(b) Alterra will notify the Holder in writing when either Vesting Condition 1 or Vesting Condition 2 has been satisfied.

(c) Upon Vesting Condition 1 or Vesting Condition 2 being satisfied, at the Holder's election, each vested Performance Right will convert into one Share. The Holder may apply to exercise Performance Rights upon vesting by filling out a notice of exercise form.

Where:

Asset (in respect of the Bennett Performance Rights) means an asset or project (including Crops) developed by Alterra in accordance with the technical partnership with Bennett.

Asset (in respect of the French's Group 89 Performance Rights) means an asset or project (including Crops) developed by Alterra in accordance with the local partnership with French's Group 89.

Crops (in respect of the Bennett Performance Rights) means horticultural and high value tree crops including avocados, table grapes, stone fruit, pome fruit, nuts, citrus, mangos, kiwi fruit, pomegranates and olives in Australia or New Zealand, and any other tree crops as the parties may agree.

Crops (in respect of the French's Group 89 Performance Rights) means avocados or any other tree crops as the parties may agree in the Territory.

Territory (in respect of the French's Group 89 Performance Rights) means the area in Western Australia known as 'Peel', 'South West' and 'Great Southern'.

Vesting Condition 1 (in respect of the Bennett Performance Rights) means Alterra or an Associated Entity signing a binding term sheet in relation to an Asset for the development or purchase of a minimum of 50 hectares of Crops in Australia or New Zealand.

Vesting Condition 1 (in respect of the French's Group 89 Performance Rights) means Alterra or an Associated Entity signing a binding term sheet in relation to an Asset for the development or purchase of a minimum of 50 hectares of Crops.

Vesting Condition 2 (in respect of the Bennett Performance Rights) means Alterra or an Associated Entity signing a binding term sheet in relation to an Asset for the development or purchase of a minimum of 200 hectares of Crops in Australia or New Zealand.

Vesting Condition 2 (in respect of the French's Group 89 Performance Rights) means Alterra or an Associated Entity signing a binding term sheet in relation to an Asset for the development or purchase of a minimum of 200 hectares of Crops.

3. Expiry Date

The Performance Rights will automatically expire 3 years after the date of issue of the Performance Rights (**Expiry Date**).

4. Exercise Period

Subject to paragraph 5, the Performance Rights are exercisable at any time after the relevant Vesting Condition has been met and before the Expiry Date.

5. Lapse

- (a) Subject to this paragraph 5, any Performance Rights not meeting a Vesting Condition in paragraph 2(a) will lapse on the Expiry Date, unless the board of directors (**Board**) of Alterra determines otherwise, in its absolute discretion.
- (b) Any vested but unexercised Performance Rights will automatically lapse on the Expiry Date.
- (c) Where the relevant agreement with Bennett or French's Group 89 Pty Ltd is either:
 - (i) terminated by mutual agreement;
 - (ii) terminated by Alterra in certain circumstances; or
 - (iii) terminated by Bennett or French's Group 89 Pty Ltd in certain circumstances,the Performance Rights are exercisable until 5.00pm (WST) on the date that is 6 months after the date of termination, if a relevant Vesting Condition in paragraph 2(a) is met, after which the Performance Rights will lapse.
- (d) Where the relevant agreement is terminated by Bennett or French's Group 89 Pty Ltd in certain circumstances, or if Alterra terminates in certain circumstances, the Performance Rights will lapse as at the date of termination.
- (e) Upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of Alterra and:
 - (A) having received acceptances for not less than 50.1% of Alterra's shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of Alterra or its amalgamation with any other company or companies,then unless the Board of Alterra, in its absolute discretion, resolves to waive any of the Vesting Conditions, the Performance Rights will automatically lapse.

6. Transfer

The Performance Rights are not transferable.

7. Participation in entitlements and bonus issues

Subject always to the rights under paragraphs 8 and 9, the Holder of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

8. Adjustment for bonus issue

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

9. Reorganisation of capital

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

10. Dividend and voting rights

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

11. Issue of Shares

Unless the Plan provides otherwise, the Shares to which the Holder is entitled on exercise of the Performance Right will be issued to the Holder as soon as practicable after the date of exercise. All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.

12. Quotation

Alterra will not apply for quotation of the Performance Rights on any stock exchange. Alterra will apply for the Shares to be quoted on the ASX in accordance with the Listing Rules within 10 Business Days of the later of the date the Shares are issued and the date any restriction period that applies to the Shares ends.

The Shares may be subject to restrictions on disposal in accordance with, the Corporations Act or the Listing Rules in which case Alterra will impose a holding lock with Alterra's share registry and will not be able to be traded until the holding lock is lifted by Alterra.

13. Cleansing statement or prospectus

Alterra will issue, where required to enable Shares issued on exercise of Performance Rights to be freely tradeable on the ASX (subject to any Restriction Period), a cleansing statement under section 708A(5) of the Corporations Act at the time Shares are issued.

Where a cleansing statement is required, but cannot be issued, Alterra will lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. Where a cleansing statement is required, but cannot be issued, any Shares issued on exercise of Performance Rights will be subject to a holding lock until such time as a prospectus is issued by Alterra.

Schedule 3 - Terms and Conditions of Incentive Options Mr John Poynton

1. Entitlement

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

2. Exercise Price, Vesting Date and Expiry Date

The Options have an exercise price and expiry date as follows:

Exercise Price	Vesting Date	Expiry Date
\$0.04	Tranche 1 vest upon the Company achieving a market capitalisation of A\$10m for a consecutive period of 30 days in which the Company's shares have traded on the ASX. Tranche 2 vest upon the Company achieving a market capitalisation of A\$20m for a consecutive period of 30 days in which the Company's shares have traded on the ASX.	5 April 2023

3. Exercise Period

Subject to paragraph 4, the vested Options are exercisable at any time and from time to time on or prior to the Expiry Date.

4. Lapse

- (a) Subject to this paragraph 4, any Option not meeting a Vesting Condition in paragraph 2 will lapse on the Expiry Date, unless the Board of the Company determines otherwise in its absolute discretion.
- (b) Any vested Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) Where the Advisory Board Agreement (**Agreement**) is terminated by the Consultant with notice, then, unless the Board of the Company determines otherwise in its absolute discretion:
 - (i) all unvested Options will lapse as at the date of termination; and
 - (ii) if the term of the Agreement has not passed two years since its commencement date, all vested Options will lapse.
- (d) Where the Agreement is terminated with notice by the Company, no Options will lapse.
- (e) Where Agreement is terminated for breach, all vested and unvested Options will lapse.

5. Notice of exercise

The Options may be exercised by notice in writing to the Company's share registry in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable".

6. Quotation of the Options

The Options will be unquoted.

7. Transfer

The Options are not transferable, except with the prior written approval of the Board of the Company and in accordance with the *Corporations Act 2001 (Cth)*.

8. Shares Issued on Exercise

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

9. Escrow of Shares issued on Exercise

- (a) Shares issued on exercise of Tranche 1 Options will be escrowed for a period of 24 months from the date of issue.
- (b) Shares issued on exercise of Tranche 2 Options will be escrowed for a period of 12 months from the date of issue.

10. Timing of Issue of Shares and quotation of Shares on exercise

Within 15 business days after the later of the following:

- (a) receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the *Corporations Act 2001 (Cth)*) (if any) ceases to be excluded information,

the Company will:

- (c) issue the Shares pursuant to the exercise of the Options;
- (d) if required and subject to paragraph 11, give ASX a notice that complies with section 708A(5)(e) of the *Corporations Act*; and
- (e) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

11. Restrictions on transfer of Shares

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the *Corporations Act* within 5 days after the issue of the Shares, Shares issued on exercise of the Options may not be traded until earlier of the date that is 12 months from the date of issue of the Share or the date the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the *Corporations Act 2001 (Cth)*. For the period of time whilst Shares issued on exercise of the Options are unable to be traded, a holding lock will be applied by the Company's share registry.

12. Participation in New Issues

There are no participation rights or entitlements inherent in the Options and you will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least the minimum time set by the Listing Rules. This will give you the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.

13. Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

- (b) no change will be made to the Exercise Price.

14. Adjustment for Rights Issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.

15. Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Option holders will be varied in accordance with the Listing Rules.

16. Change in control

Any unvested Options will immediately vest in the event that:

- (a) a court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and the shareholders of the Company approve the proposed compromise or arrangement at such meeting;
- (b) a Takeover Bid (as defined in the Corporations Act):
 - (i) is announced;
 - (ii) has become unconditional; and
 - (iii) the person making the Takeover Bid has a Relevant Interest (as defined in the Corporations Act) in 50% or more of the Shares; or
- (c) any person acquires a Relevant Interest in 50.1% or more of the Shares by any other means.

Schedule 4 - Terms and Conditions of Performance Rights - Mr Oliver Barnes

The terms and conditions of Performance Rights are set out as follows:

1. **(Performance Rights):** The Company intends to grant Performance Rights as follows:

Performance Rights	Number
Class A Performance Rights	1,500,000
Class B Performance Rights	1,500,000
Class C Performance Rights	2,000,000
Class D Performance Rights	2,000,000
Class E Performance Rights	4,000,000

2. **(Milestones):** Subject to clause 4, The Performance Rights will have the following milestones attached to them:

- (a) **Class A Performance Rights:** to vest on the date that the 30 day VWAP for the Shares on the ASX is \$0.08 or higher during the period to the 12 months ending on 30 September 2020 (**Milestone 1**);
- (b) **Class B Performance Rights:** to vest on the date that the 30 day VWAP for the Shares on the ASX is \$0.12 or higher during the period to the 12 months ending on 30 September 2021 (**Milestone 2**); and
- (c) **Class C Performance Rights:** to vest on the date that the 30 day VWAP for the Shares on the ASX is \$0.16 or higher during the period to the 12 months ending on 30 September 2022 (**Milestone 3**);
- (d) **Class D Performance Rights:** to vest on the date that the 30 day VWAP for the Shares on the ASX is \$0.20 or higher during the period to the 12 months ending on 30 September 2023 (**Milestone 4**);
- (e) **Class E Performance Rights:** to vest on the date that the 30 day VWAP for the Shares on the ASX is \$0.30 or higher during the period to the 12 months ending on 30 September 2024 (**Milestone 5**);

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

3. **(Notification to holder):** The Company shall notify the holder in writing when the relevant Milestone have been satisfied.

4. **(Vesting):**

- (a) Subject to Mr Oliver Barnes remaining in the role of Managing Director at the time of vesting, the Performance Rights will vest on the date the Milestone relating to that Performance Right has been satisfied.
- (b) If the 60-day VWAP for the Shares on the ASX is \$0.20 or higher during the period from issue to 30 September 2022 then Classes A, B, C and D will vest (subject to Mr Oliver Barnes remaining in the role of Managing Director at the time of vesting).
- (c) If the Milestones for Classes A, B and C are not met but during the period to the 12 months ending on 30 September 2023 the Milestones for Classes A, B and C and D are met cumulatively then, subject to Mr Oliver Barnes remaining in the role of Managing Director at the time of vesting, the Milestones for Classes A, B and C and D will be deemed to have been met.

5. **(Consideration):** The Performance Rights will be issued for no consideration.

6. **(Conversion):** Upon vesting, each Performance Right will, at the election of the holder and subject to the Corporations Act, convert into one fully paid ordinary share in the Company (**Share**).
7. **(Lapse):** Any Performance Right that has not vested by 31 October 2024 will automatically lapse.
8. **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
9. **(Listing of shares on ASX):** The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.
10. **(Transfer of Performance Rights):** The Performance Rights are not transferable.
11. **(Participation in entitlements and bonus issues):** Subject always to the rights under items 12 and 13, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
12. **(Adjustment for bonus issue):** If securities are issued pro-rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which each holder is entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue.
13. **(Reorganisation of capital):** In the event that the issued capital of the Company is reconstructed, all rights of a holder will be changed to the extent necessary to comply with the Listing Rules at the time of reorganisation provided that, subject to compliance with the Listing Rules, following such reorganisation the economic and other rights of the holder are not diminished or terminated.
14. **(Dividend and voting rights):** The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.
15. **(Change in control):** Upon:
 - (a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (i) having received acceptances for not less than 50.1% of the Company's shares on issue; and
 - (ii) having been declared unconditional by the bidder; or
 - (b) a Court granting 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; or
 - (c) the Company announces that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of the Company has been completed,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of a Milestone, Performance Rights will automatically convert to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue in the Company, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue at that time. Performance Rights that are not converted into Shares will continue to be held by the holder on the same terms and conditions.

Schedule 5 - Valuation of Performance Rights

The Performance Rights to be issued to the Related Parties pursuant to Resolution 6 have been valued according to the Monte Carlo valuation model on the following assumptions:

	Mr Barnes				
Performance Rights	Class A	Class B	Class C	Class D	Class E
Underlying Share price (as at 7/10/19)	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04
Exercise price	Nil	Nil	Nil	Nil	Nil
Share price barrier*	≥\$0.08	≥\$0.12	≥\$0.16	≥\$0.20	≥\$0.30
Cumulative Share price target	\$0.20	\$0.20	\$0.20	\$0.20	\$0.30
Expiry date	30 September 2020	30 September 2021	30 September 2022	30 September 2023	30 September 2024
Expected volatility**	60.13%	60.13%	60.13%	60.13%	60.13%
Risk free interest rate***	0.80%	0.80%	0.78%	0.81%	1.03%
Value of each Performance Right	\$0.0055	\$0.0053	\$0.0057	\$0.0032	\$0.0030
Probability	22%	19%	18%	9%	7%
Aggregate value of Performance Right	\$8,250	\$7,950	\$11,400	\$6,400	\$12,000

* Share price to achieve as a vesting condition

**Expected volatility is a measure of the amount by which a price is expected to fluctuate during a period. We calculated volatility with consideration to the square root of the mean of the squared deviations of the Company's closing share prices for a sample period

*** Based on the Australian Government bond rate

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Vote by Proxy: 1AG

Your proxy voting instruction must be received by **10.30am (WST) on Tuesday, 10 December 2019**, 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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.

VOTING UNDER STEP 1 - APPOINTING A PROXY

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

DEFAULT TO THE CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by 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

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the 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>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

