

Notice of 2022 Annual General Meeting

Notice is hereby given that the 2022 Annual General Meeting of members of Uscom Limited will be held at Suite 2, Level 8, 66 Clarence Street, Sydney, NSW and virtually at 11:30am (Sydney time) on Thursday 10 November 2022.

Business

Financial Statements and Reports

To receive and consider the Financial Report of the Company together with the reports of the Directors and the Auditor for the financial year ended 30 June 2022.

Resolution 1: Adoption of Remuneration Report for the Year Ended 30 June 2022

To consider and, if thought fit, pass the following advisory resolution of the Company:

That the Remuneration Report for the year ended 30 June 2022 (as set out in the Directors' Report) be adopted.

Resolution 2: Re-election of Director – Mr Brett Crowley

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

That Mr Brett Crowley retires by rotation in accordance with Rule 6.4 of the Company's Constitution and, being eligible for re-election, be re-elected as a Director of the Company.

Resolution 3: Ratification of Private Placement of Shares on 1 April 2022

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

That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of 300,000 shares at an issue price of 9.8c per share on 1 April 2022 to the person identified, and on the terms described in the Explanatory Statement which forms part of this Notice of Meeting, be approved.

Resolution 4: Ratification of Private Placement of Shares on 5 July 2022

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

That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of 230,769 shares at an issue price of 6.5c per share on 5 July 2022 to the person identified, and on the terms described in the Explanatory Statement which forms part of this Notice of Meeting, be approved.

Resolution 5: Grant of Share Rights to Executive Chairman Rob Phillips

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

That for the purposes of ASX Listing Rule 10.14, and for all other purposes, the grant to the Executive Chairman, Assoc.Prof Rob Phillips, of up to 3,164,557 Share Rights for nil financial consideration which, subject to the achievement of performance and vesting conditions, may convert to ordinary shares in the capital of Uscom Limited on a one-for-one basis under the Uscom Limited Equity Incentive Plan, on the terms described in the Explanatory Statement which forms part of this Notice of Meeting, be approved.

Resolution 6: Additional Share Issue Capacity under Listing Rule 7.1A

To consider and, if thought fit, pass the following as a special resolution of the Company:

That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, shareholders approve the issue of ordinary shares up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Statement, which forms part of this Notice of Meeting.

By order of the Board

A handwritten signature in black ink, appearing to be 'Brett Crowley', written in a cursive style.

Brett Crowley
Company Secretary
Sydney 30 September 2022

Explanatory Statement

This Explanatory Statement has been prepared to assist Shareholders of Uscom Limited (**Uscom** or **the Company**) to understand the business to be put to Shareholders at the Annual General Meeting (**Meeting** or **AGM**) of the Company to be held at 11:30am (Sydney time) on Thursday 10 November 2022.

All of the resolutions to be voted on, with the exception of Resolution 6, are ordinary resolutions. Ordinary resolutions require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 1, which relates to approval of the 2022 Remuneration Report, is an advisory resolution, further details of which are included below. Resolution 6 is a special resolution, which to be passed requires 75% of votes cast by Shareholders present and entitled to vote in favour of the resolution.

Financial Statements and Reports

The Annual Report and the associated reports of the Directors and the Auditor for the financial year ended 30 June 2022 will be presented for consideration.

The 2022 Annual Report is available on the Company website <http://www.uscom.com.au>. Shareholders should note that the Financial Statements and Reports will be received in the form presented. It is not the purpose, and there is no requirement either in the *Corporations Act 2001* (Cth) (**the Act**) or in the Constitution of the Company for Shareholders to approve the Financial Report, the Directors' Report or the Auditor's Report at the Meeting, or that the Financial Statements and Reports be accepted, rejected or modified in any way.

Resolution 1: Remuneration Report

A resolution for adoption of the Remuneration Report is required to be considered and voted on in accordance with the Corporations Act. The Remuneration Report details the Company's policy on the remuneration of non-executive directors, executive directors and senior executives and is set out on page 35 of the 2022 Annual Report.

Resolution 1 provides Shareholders with the opportunity to vote on the Company's Remuneration Report. Under Section 250R(2) of the Act, the Company is required to put the adoption of its Remuneration Report to the vote at the Annual General Meeting and, under section 250SA of the Corporations Act, the Chairman must allow the Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. If 25% of the votes are cast against two consecutive annual resolutions for the purposes of section 250R(2), the Act requires a shareholder vote on whether to convene a special meeting at which all directors (other than the managing director) who were in office when the second section 250R(2) resolution was voted on, must stand for re-election.

The Remuneration Report:

- (a) explains the Board's policies in respect of the nature and level of remuneration paid to directors and senior management of the Company;
- (b) discusses the link between the Board's policies and the Company's performance;
- (c) explains why the performance conditions were chosen and how performance is measured against them;
- (d) sets out the remuneration details for each director and each member of the Company's senior management team; and
- (e) makes clear that the basis for remunerating non-executive directors is distinct from the basis for remunerating executives and executive directors.

The vote on the adoption of the Remuneration Report resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

In accordance with section 250R(4) of the Corporations Act, the Company will disregard any votes cast in respect of Resolution 1 by:

- A member of Key Management Personnel (“KMP”), details of whose remuneration are included in the Remuneration Report; and
- A Closely Related Party of such a member.

However, the Company will not disregard a vote cast in respect of Resolution 1 if it is cast by a person as proxy appointed in writing that directs the proxy how to vote on Resolution 1, and the vote is not cast on behalf of a member of KMP, details of whose remuneration are included in the Remuneration Report or a Closely Related Party of such a member.

If you are a member of the KMP or a Closely Related Party of a member of the KMP (or are acting on behalf of any such person) and purport to cast a vote on Resolution 1 that vote will be disregarded by the Company (as indicated above). Please read the information in the Proxy Form which deals with the Chairman’s voting of proxies on Resolution 1 to adopt the Remuneration Report.

Resolution 2: Re-election of Director – Mr Brett Crowley

In accordance with Rule 6.4 of the Company’s Constitution, Mr Brett Crowley retires as a Director by rotation and, being eligible, offers himself for re-election.

Resolution 3: Ratification of issue of shares on 1 April 2022

Under Listing Rule 7.1, a company must obtain shareholder approval if it wants to issue more than 15% of its ordinary securities. If a company has obtained approval under Listing Rule 7.1A, it may issue ordinary shares equivalent to an additional 10% of the number of ordinary shares on issue by way of placements over a 12-month period.

ASX Listing Rule 7.4 provides that shareholders may approve an issue of securities after the fact so that the securities issued are regarded as having been issued with approval for the purpose of Listing Rule 7.1.

The shares issued on 1 April 2022 were issued using the Company’s 15% placement capacity under Listing Rule 7.1 and therefore did not breach Listing Rule 7.1. Accordingly, Resolution 3 seeks approval for the ratification of issue of the fully paid ordinary shares under Listing Rule 7.4.

If Resolution 3 is passed, the 300,000 shares will not reduce the Company’s capacity to issue shares under Listing Rule 7.1. If Resolution 3 is not passed, the 300,000 shares will reduce the Company’s capacity to issue shares under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.5, the following information is provided in respect of Resolution 3:

Issue Date	1 April 2022
Number of securities	300,000 fully paid ordinary shares
Terms of issue	Shares rank equally with all existing Shares on issue
Allottees and issue price	Tianran Guo – 300,000 shares @ 9.8c per share
Purpose of issue	Issued to Ms Guo as remuneration in lieu of cash in accordance with employment agreement
Value of shares issued	\$29,400
Use of funds raised	No funds were raised on issue of the shares.

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of Tianran Guo or any of her associates. However, this does not apply to a vote cast in favour of Resolution 3 by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote that way.

Resolution 4: Ratification of issue of shares on 5 July 2022

Under Listing Rule 7.1, a company must obtain shareholder approval if it wants to issue more than 15% of its ordinary securities. If a company has obtained approval under Listing Rule 7.1A, it may issue ordinary shares equivalent to an additional 10% of the number of ordinary shares on issue by way of placements over a 12-month period.

ASX Listing Rule 7.4 provides that shareholders may approve an issue of securities after the fact so that the securities issued are regarded as having been issued with approval for the purpose of Listing Rule 7.1.

The shares issued on 5 July 2022 were issued using the Company's 15% placement capacity under Listing Rule 7.1 and therefore did not breach Listing Rule 7.1. Accordingly, Resolution 4 seeks approval for the ratification of issue of the fully paid ordinary shares under Listing Rule 7.4.

If Resolution 4 is passed, the 230,769 shares will not reduce the Company's capacity to issue shares under Listing Rule 7.1. If Resolution 4 is not passed, the 230,769 shares will reduce the Company's capacity to issue shares under Listing Rule 7.1.

For the purposes of ASX Listing Rule 7.5, the following information is provided in respect of Resolution 4:

Issue Date	5 July 2022
Number of securities	230,769 fully paid ordinary shares
Terms of issue	Shares rank equally with all existing Shares on issue
Allottees and issue price	Lucy Lu – 153,846 shares @ 6.5c per share Uzair Khyshzai – 76,923 shares @ 6.5c per share
Purpose of issue	Issued to employees as remuneration in lieu of cash in accordance with employment agreement
Value of shares issued	\$15,000
Use of funds raised	No funds were raised on issue of the shares.

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of Lucy Lu and Uzair Khyshzai or any of their associates. However, this does not apply to a vote cast in favour of Resolution 4 by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote that way.

Resolution 5: Issue of Share Rights to Executive Chairman, Assoc.Prof. Rob Phillips

Resolution 5 seeks Shareholder approval to issue 3,164,557 Share Rights to the Executive Chairman, Assoc.Prof. Rob Phillips, under the Uscom Equity Incentive Plan, on the terms and conditions set out below. The primary purpose of the proposed issue of Share Rights is to both reward performance and provide an incentive to Assoc.Prof. Phillips as Executive Chairman and Chief Executive Officer of the Company.

Uscom Limited Remuneration Philosophy

The Uscom Equity Incentive Plan (**the Plan**) was established in 2014 to allow the Board to grant different types of performance-based awards depending upon the prevailing circumstances. The Plan has been designed with maximum flexibility to deliver different securities from time-to-time (depending on the participant base) with performance conditions commensurate with the Company's key business drivers at the time of award.

Further information about the Company's remuneration governance and executive remuneration policy and framework is set out the Company's Remuneration Report which forms part of Uscom's 2022 Annual Report.

As at the date of this Notice, the total remuneration package of Assoc.Prof. Phillips consists of salary of \$250,755 and the issue of Share Rights under the Plan, if any.

Issue of Share Rights to Assoc.Prof. Phillips

The number of Share Rights and details of the Vesting Date are set out in the table below.

Number of Share Rights available to vest	Vesting Date
3,164,557	1 July 2023

General Terms & Conditions of Share Rights

- The Share Rights will be forfeited if Assoc.Prof. Phillips ceases to be employed by Uscom for any reason prior to the Vesting Date ("Employment Condition").
- The Share Rights will be forfeited in the period between the date of the 2022 AGM and the Vesting Date in the following circumstances:
 - Assoc.Prof. Phillips resigns (other than due to permanent illness or material disability) as a Director and employee; or
 - Assoc.Prof. Phillips' employment is terminated due to misconduct.
- If Assoc.Prof. Phillips' employment is terminated for convenience by the Company, for example, redundancy, or Assoc.Prof. Phillips resigns due to permanent illness or material disability that renders him unable to work, or Assoc.Prof. Phillips dies, then the Share Rights in respect of which the Employment Condition has been met will vest at the date of termination or death.
- If there is a Control Event, then the Vesting Date will be brought forward to the date of the Control Event. A Control Event means an offer is made by a person for the whole of the issued ordinary share capital of the Company (or any part as is not at the time owned by the offeror or any person acting in concert with the offeror) and after announcement of the offer the offeror (being a person who did not Control the Company prior to the offer) acquires Control of the Company; or any other event which the Board reasonably considers should be regarded as a Control Event.

The Board has decided to grant Share Rights to Assoc.Prof. Phillips for the following reasons:

- the grant of Rights is in accordance with acceptable market practice;
- the current cash salary of \$250,755 is significantly lower than the remuneration payable by a company of the size and nature of Uscom Limited to its Executive Chairman; and
- the grant of Share Rights will have a minimal dilutionary effect on the issued share capital of the Company.

The Board considers the number of Share Rights proposed to be issued to Assoc.Prof. Phillips to be fair and reasonable and within comparable market parameters, having regard to both the Company's size and stage of development, and the role and responsibilities expected of Assoc.Prof. Phillips as Executive Chairman of the Company.

Listing Rule 10.14

Listing Rule 10.14 restricts the Company from issuing securities to a director of the Company under an employee incentive scheme, unless approval is obtained from Shareholders. Assoc.Prof. Phillips is a director of the Company. If approval under Listing Rule 10.14 is obtained, approval for the issue of the Share Rights is not required under Listing Rule 7.1. as the issue will fall within Exception 14 of Listing Rule 7.2.

Vesting Conditions

As stated above, one of the reasons that the Company has introduced the Plan is not only to attract and reward key executives, but to retain key staff. Therefore, the Board has determined that a tenure based vesting condition is the most appropriate hurdle for current purposes.

Information for the purposes of Listing Rule 10.15

In accordance with ASX Listing Rule 10.15, the following information is provided regarding Resolution 6:

- Assoc.Prof. Phillips is the Executive Chairman of the Company.
- Assoc.Prof. Phillips will be granted 3,164,557 Share Rights for nil financial consideration which, subject to the achievement of the Performance Condition, may convert to ordinary shares in the capital of Uscom Limited on a one-for-one basis. Up to 3,164,557 ordinary shares may be allotted to Assoc.Prof. Phillips upon the conversion of vested Share Rights, for nil financial consideration. Any shares allotted to Assoc.Prof. Phillips may be acquired on market or issued by Uscom Limited.

Alternatively, should Share Rights vest, the Board may determine in its absolute discretion that a vested Share Right will be satisfied by the Company making a cash payment to Assoc.Prof. Phillips in lieu of allocating Shares.

- For the purposes of ASX Listing Rule 10.15.5, the only person referred to in Listing Rule 10.14 who has received any securities under the Plan since the date of last approval is as follows:

Person who received Shares	Number of Shares	Acquisition price
Assoc.Prof. Phillips	1,636,782	Nil

Those shares were issued upon the vesting of Share Rights previously issued under the Uscom Equity Incentive Plan.

- The Share Rights will be granted under the terms and conditions of the Uscom Equity Incentive Plan.
- The Company attributes a value of \$250,755 to the Share Rights. This amount has been determined using an implied issue price of 7.9c per share, being the VWAP of Uscom shares for the quarter year ended 30 June 2022.
- The total remuneration package of Assoc.Prof. Phillips consists of salary of \$250,755 and the issue of Share Rights under the Plan, if any.
- The Terms and Conditions of the Uscom Equity Incentive Plan provide that any Director is eligible to participate in particular awards. The only Director who is currently eligible for participation is the Executive Chairman, Assoc.Prof. Phillips.
- There is no loan attaching to the offer of Share Rights under the Plan.
- Details of any securities issued under the Uscom Equity Incentive Plan will be published in Uscom Limited's future annual Remuneration Reports, including that approval for this issue of securities was obtained under Listing Rule 10.14.

- Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.
- The Company will issue the Share Rights no later than 12 months after this Annual General Meeting.
- The material terms of the Plan are as follows:
 - (a) The Board may invite an Eligible Person to acquire interests in securities under the Plan.
 - (b) Eligible Persons include an employee, contractor, consultant or executive director of the Uscom Group or any other person whom the Board determines to be eligible to participate in the Plan.
 - (c) The invitation may specify the terms on which the securities will be issued, including the number of securities, the date on which the securities will be issued, the price payable (if any) for the interests, the performance conditions to be met for issue, the expiry date and any forfeiture conditions.
 - (d) The Board may determine that a cash payment be made to a participant in lieu of allocating shares to the participant.
 - (e) Unless the Board determines otherwise, all unvested interests under the Plan will lapse within three months of the date of cessation of employment.
 - (f) No interest issued under the Plan may participate in new issues, bonus issues or pro rata issue is unless the interest is exercised and converted into shares in the Company.

Reasonable Remuneration

Section 208(1) of the *Corporations Act 2001* (Cth) (**the Act**) provides that a public company must not, without the approval of the Company's members, give a financial benefit to a related party unless an exception to the prohibitions which are set out in sections 210 to 216 of the Act applies to that issue. As a Director of the Company, Assoc.Prof. Phillips is a related party of the Company for the purposes of section 228(2) of the Act. The issue of the Share Rights and the issue of shares or payment of cash on vesting of the Share Rights will constitute the giving of a financial benefit to a related party for the purposes of section 229(3)(e) of the Act.

The Board considers that the issue of the Share Rights constitutes reasonable remuneration within the meaning of section 211(1) of the Act for the following reasons.

- The incentive represented by the issue of the Share Rights is a cost-effective and efficient incentive when compared to other forms of incentive;
- The Board has reviewed the performance of Assoc.Prof. Phillips and his remuneration package. The Board reached the conclusion that it is fair and reasonable that the salary package for the year ended 30 June 2022 be an amount of \$501,510. The cash component of the salary package consists of salary and superannuation, amounting to \$250,755. It is proposed that the balance of the salary package, being \$250,755, be paid by way of 3,164,557 Share Rights at an implied issue price of 7.9c per share. The issue price of 7.9c per share was determined as the VWAP of Uscom shares for the quarter year ended 30 June 2022.
- The Share Rights will be forfeited if Assoc.Prof. Phillips ceases as an Executive Director and employee on or before 30 June 2023.
- The Performance Condition provides an incentive to Assoc.Prof. Phillips in his role as Chairman and Chief Executive Officer to remain with the Company and to improve the performance of the Company. Taking this into consideration, the Directors (other than Assoc.Prof. Rob Phillips) consider there is no opportunity cost or benefit foregone to the Company in granting the Share Rights under Resolution 5.

Accordingly, Shareholder approval is not required under section 208(1) of the Act.

If Shareholders do not approve the proposed issue of Share Rights to Assoc.Prof. Phillips under Resolution 5, the issue will not proceed. This may affect Uscom's ability to incentivise Assoc.Prof. Phillips and align his interests with those of Shareholders. The Board will need to consider alternative remuneration arrangements which may include cash payment.

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of Assoc.Prof Rob Phillips or any associates of Assoc.Prof Rob Phillips. However, this does not apply to a vote cast in favour of Resolution 5 by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote that way.

Resolution 6: Additional Share Issue Capacity under Listing Rule 7.1A

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary shares on issue by way of placements over a 12-month period (**10% Placement Facility**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of the AGM:

- a) it has a market capitalisation of \$300 million or less; and
- b) it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will also satisfy both these criteria at the date of the Meeting. Any equity securities issued under ASX Listing Rule 7.1A must be in an existing quoted class of securities. The Company has only one quoted class of equity securities on issue, being ordinary shares.

Accordingly, Resolution 6 seeks Shareholder approval by special resolution for the issue of such number of ordinary shares as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3, to such persons as the Board may determine, on the terms as described in this Explanatory Statement, which forms part of the Notice of Meeting.

At the date of this Notice, the Company has on issue 198,635,884 ordinary shares. If Resolutions 3, 4, 5 and 6 are approved the Company will have the capacity to issue:

- (i) 29,795,383 ordinary shares under ASX Listing Rule 7.1; and
- (ii) 19,863,588 ordinary shares under ASX Listing Rule 7.1A.

In addition to issues under rule 7.1, an eligible entity which has obtained the approval of the holders of its ordinary securities under this rule 7.1A may, during the period of the approval, issue or agree to issue a number of equity securities calculated in accordance with the following formula:

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

where:

- A =** the number of ordinary securities on issue at the commencement of the relevant period:
- a) plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - b) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,

- c) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- d) plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
- e) plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- f) less the number of fully paid shares cancelled in the 12 months.

D = 10%;

E = the number of equity securities issued or agreed to be issued under rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4; and
 “relevant period” has the same meaning as in rule 7.1.”

The effect of passing Resolution 6 will be to allow the Directors to issue the ordinary shares under Listing Rule 7.1A during the Relevant Period without using the Company’s 15% placement capacity under Listing Rule 7.1. The effect of not passing Resolution 6 will be that the Directors cannot issue the ordinary shares under Listing Rule 7.1A during the Relevant Period without using the Company’s 15% placement capacity under Listing Rule 7.1.

Information required by ASX Listing Rule 7.3A

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- An approval under this rule 7.1A commences on the date of the Meeting and expires on the first to occur of the following:
 - a) The date that is 12 months after the date of the Meeting.
 - b) The time and date of the Company’s next annual general meeting.
 - c) The time and date of the approval by holders of the Company’s ordinary securities of a transaction under rule 11.1.2 or rule 11.2.
- The minimum price at which the ordinary shares will be issued will be no less than 75% of the volume weighted average market price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:
 - a) the date on which the price at which the ordinary shares are to be issued is agreed; or
 - b) if the ordinary shares are not issued within ten trading days of the date in paragraph (a), the date on which the ordinary shares are issued.
- If Resolution 6 is approved by Shareholders and the Company issues ordinary shares under the 10% Placement Facility, the existing Shareholders face the risk of economic and voting dilution as a result of the issue of ordinary shares which are the subject of this Resolution, to the extent that such ordinary shares are issued; including:
 - a) the market price of ordinary shares may be significantly lower on the issue date than on the date on which this approval is being sought; and
 - b) the ordinary shares may be issued at a price that is at a discount to the market price for those ordinary shares on the issue date,
 which may have an effect on the amount of funds raised by the issue of the ordinary shares.
- The following table gives examples of the potential dilution of existing ordinary shareholders on the basis of the current market price of ordinary shares and the current number of ordinary shares for variable “A” calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.
 The table also shows:
 - (i) two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of ordinary shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or

future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (ii) two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the current market price.

No. of Shares on Issue ¹	Dilution			
	Issue price (per Share)	\$0.04 50% decrease in Issue Price	\$0.08 Issue Price	\$0.16 100% increase in Issue Price
198,635,884 (Current)	Shares issued	19,863,588	19,863,588	19,863,588
	Funds raised	\$794,544	\$1,589,087	\$3,178,174
297,953,826 (50% increase)	Shares issued	29,795,382	29,795,382	29,795,382
	Funds raised	\$1,191,815	\$2,383,631	\$4,767,261
397,271,768 (100% increase)	Shares issued	39,727,177	39,727,177	39,727,177
	Funds raised	\$1,589,087	\$3,178,174	\$6,356,348

The table has been prepared on the following assumptions:

- (i) Resolutions 3, 4, 5 and 6 are approved.
 - (ii) The Company issues the maximum number of ordinary shares available under the 10% Placement Facility in Listing Rule 7.1A.
 - (iii) No options over ordinary shares are exercised before the date of issue of ordinary shares under Listing Rule 7.1A.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of ordinary shares under ASX Listing Rule 7.1A, not under the 15% placement capacity available under ASX Listing Rule 7.1.
 - (vi) The Issue Price is \$0.08, being the trading price of the ordinary shares on ASX on 15 September 2022.
- If any of the ordinary shares being approved by this resolution are issued, they will be issued during the Placement Period, that is, within 12 months of the date the AGM, i.e. by 10 November 2022, and the approval being sought by this resolution will cease to be valid if Shareholders approve a transaction under ASX Listing Rules 11.1.2 or 11.2 prior to 10 November 2022.
 - The ordinary shares will be issued for the purpose of raising working capital for the Company and establishing and consolidating new sales, distribution and licensing opportunities for the Company's range of products for the benefit of all Shareholders.
 - The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.3 upon issue of any ordinary shares.
 - The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of any ordinary shares that may be issued (subject to Shareholder approval of Resolution 8 have not been determined as at the date of this Notice, but may include existing Shareholders as well as new Shareholders who are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
 - the methods of raising funds that are available to the Company and balancing interest from potential allottees with the interests of existing Shareholders;
 - the effect of the issue of the ordinary shares on the control of the Company. Allocation will be subject to takeover thresholds;

¹ Variable "A" in Listing Rule 7.1A.2

- the financial situation and solvency of the Company and its projected need for working capital at any given time; and
- advice from corporate, financial and broking advisors (if applicable).

Previous Issues

The Company has not issued or agreed to issue any equity securities under Listing Rule 7.1A.2 in the 12 months preceding the 2022 AGM.

Resolution 6 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by shareholders entitled to vote on Resolution 6 must be in favour of the resolution.

Voting exclusion statement

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of such a person. However, this does not apply to a vote cast in favour of Resolution 6 by a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of the person excluded from voting, on the resolution; and
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote that way.

Proxies

For an appointment of a proxy to be effective, proxy forms must be lodged at the Company's Share Registry, Boardroom Pty Limited at:

Postal address:	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001
Fax number:	(02) 9290 9655

no later than 11:30am (AEDT) on 8 November 2022. A proxy form is provided with this Notice.

The Board has determined the date and time when a person must be on the Company register of members to attend and vote at the meeting to be 7.00pm (AEDT) on 8 November 2022.

Sydney, 30 September 2022



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:30am (Sydney Time) on Tuesday, 8 November 2022.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/uscomagm2022>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:30am (Sydney Time) on Tuesday, 8 November 2022.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/uscomagm2022>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Uscom Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held simultaneously virtually and at **Suite 2, Level 8, 66 Clarence Street, Sydney, NSW on Thursday, 10 November, 2022 at 11:30am (Sydney Time)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 and 5, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolutions 1 and 5 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 5). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	To re-elect Mr Brett Crowley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Private Placement of Shares in 1 April 2022	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Private Placement of Shares in 5 July 2022	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Share Rights to Executive Chairman Rob Phillips	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of additional Share Issue Capacity under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022