



AVADA Group Limited  
ACN 648 988 783  
Suite 1, Level 2 116 Ipswich Road,  
Woolloongabba, QLD 4102  
[www.avadagroup.com.au](http://www.avadagroup.com.au)

23 October 2023

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to provide the Notice of Annual General Meeting for AVADA Group Limited (AVADA or Company).

The Company's AGM will be held as a physical meeting on Wednesday, 22 November 2023, commencing at 10.00am (Brisbane time) at the offices of Allens, Level 26, 480 Queen Street, Brisbane QLD 4000.

As permitted by the Corporations Act 2001 (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholders have made a valid election to receive documents in hard copy. The Notice of Meeting and accompanying explanatory memorandum (**Meeting Materials**) are available to shareholders electronically and can be viewed and downloaded on the Company's website.

The Company recognises and respects the importance of the AGM to shareholders and has adopted measures to allow shareholders to view the 2023 AGM live by webcast by logging in online at <https://meetings.linkgroup.com/AVD23>. Shareholders who cannot physically attend the AGM are encouraged to submit questions in advance of the AGM by submitting them online at <https://investorcentre.linkgroup.com> via your secure login /or by email to the Company Secretary, Paul Fitton ([pfitton@avadagroup.com.au](mailto:pfitton@avadagroup.com.au)) by Wednesday, 15 November 2023. The Company will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the AGM.

Voting on the day of the Annual General Meeting will only be permissible by shareholders who are physically present at the meeting. There will be no online voting on the day of the meeting and shareholders are encouraged to lodge a proxy ahead of the meeting.

Full details on how to lodge your Proxy vote are detailed in the Meeting Materials with online proxy voting being available to all shareholders at <https://investorcentre.linkgroup.com>.

Proxy voting closes at 10.00am (Brisbane time) on Monday, 20 November 2023.

Your continued support is greatly appreciated.

**Lance Hockridge**  
Chairman

# Notice of annual general meeting

AVADA Group Limited ACN 648 988 783 (**Company**)

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Dear Shareholders

On behalf of the Board, notice is given that the Company's 2023 Annual General Meeting (**AGM**) will be held at:

<b>Location</b>	Allens, Level 26, 480 Queen Street, Brisbane QLD 4000
<b>Date</b>	Wednesday, 22 <sup>nd</sup> November 2023
<b>Time</b>	10am Australian Eastern Standard Time

## Participation in AGM

This year's AGM will be held as a physical meeting with a live webcast available at <https://meetings.linkgroup.com/AVD23>.

Shareholders will be able to view the AGM live by watching the webcast, but will not be able to ask questions or vote through the webcast facilities. Voting on the day of the AGM will only be permissible by Shareholders who are physically present at the meeting. There will be no online voting on the day of the meeting.

## AGM considerations and shareholder questions

A discussion will be held on all items to be considered at the AGM.

All Shareholders who choose to attend the AGM in person will have a reasonable opportunity to ask questions during the AGM, including an opportunity to ask questions of the Company's external auditor.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following:

- 1 All Shareholder questions should be stated clearly and should be relevant to the business of the AGM, including matters arising from the Financial Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and general questions about the performance, business or management of the Company.
- 2 If a Shareholder has more than one question on any particular item, all questions should be asked at the same time.
- 3 Shareholders should not ask questions at the AGM regarding personal matters or those that are commercial in confidence.

It may not be possible to respond to all questions raised during the AGM. Shareholders are therefore encouraged to submit questions in advance of the AGM by submitting them online at [investorcentre.linkmarketservices.com.au](https://investorcentre.linkmarketservices.com.au) via your secure login or by email to the Company Secretary, Paul Fitton ([pfitton@avadagroup.com.au](mailto:pfitton@avadagroup.com.au)) by Wednesday, 15th November 2023. The Company will endeavour to address as many of the more frequently raised relevant questions as possible during the course of the AGM. However, there may not be sufficient time available at the Meeting to address all of the questions raised. Individual responses will not be sent to Shareholders.



If you are unable to attend the AGM to vote, the Board encourages you to lodge your votes by proxy in the form attached to this Notice of Meeting.

## Ordinary Business

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### Financial Statements and Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2023.

#### Resolution 1 — Directors' Remuneration Report

To consider and, if in favour, to pass the following resolution in accordance with section 250R(2) of the Corporations Act:

- 1 *'That the Remuneration Report be adopted.'*

Note: This resolution shall be determined under section 250R(2) of the Corporations Act. A voting exclusion applies to this resolution.

The Directors abstain, in the interest of good corporate governance, from making a recommendation in relation to this resolution.

#### Resolution 2 — Re-election of Courtney Jane Black as a director

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

- 2 *'That, for the purposes of rule 19.2(b) of the Company's Constitution, Listing Rule 14.4 and for all other purposes, Ms Courtney Black, being a director of the Company, who was appointed as an additional director on 19 June 2023, and being eligible, be re-elected as a director of the Company.'*

The Directors (with Ms Courtney Jane Black abstaining) unanimously recommend that you vote in favour of this resolution.

#### Resolution 3 — Re-election of Neil Scales OBE as a director

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

- 3 *'That, for the purposes of rule 19.2(b) of the Company's Constitution, Listing Rule 14.4 and for all other purposes, Mr Neil Scales OBE, being a director of the Company, who was appointed as an additional director on 25 July 2023, and being eligible, be re-elected as a director of the Company.'*

The Directors (with Mr Neil Scales OBE abstaining) unanimously recommend that you vote in favour of this resolution.

#### Resolution 4 — Approve and ratify the issue of Shares under the 2023 placement

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

- 4 *'That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 9,454,667 Shares in the capital of the Company which were issued by way of a placement on 30 August 2023 on the terms and conditions in the Explanatory Notes.'*

The Directors unanimously recommend that you vote in favour of this resolution.

### **Resolution 5 — Appointment of auditor**

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

- 5       *'That, for the purposes of section 327B of the Corporations Act and for all other purposes, approval is given for the appointment of BDO as the Company's auditor with effect from the date of this AGM.'*

The Directors unanimously recommend that you vote in favour of this resolution.

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### **Resolution 6 — Approval of additional 10% capacity under Listing Rule 7.1A**

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

- 6       *'That, for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.'*

The Directors unanimously recommend that you vote in favour of this resolution.

The Board appreciates your ongoing support, and we look forward to seeing you at the AGM.

Dated: Monday 23 October 2023

By order of the Board

A handwritten signature in blue ink, appearing to read "P. Fitton", is written over a horizontal line.

**Paul Kenneth Fitton**  
Company Secretary

## Notes

### Eligibility to Vote

Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) permits the Company to specify a time, not more than 48 hours before a general meeting, at which a 'snap-shot' of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting.

The Board has determined that the registered holders of Shares at 7 pm (Australian Eastern Standard Time) on Monday 20th November 2023 will be taken to be holders of ordinary shares for the purposes of the Meeting and accordingly, will be entitled to attend and vote at the Meeting.

### Voting by Proxy

An eligible Shareholder can vote in person at the Meeting or appoint a proxy or, where a Shareholder is entitled to two or more votes, two proxies. Where two proxies are appointed, a Shareholder may specify the number or proportion of votes to be exercised by each proxy appointed. If no number or proportion of votes is specified, each proxy appointed will be taken to exercise half of that Shareholder's votes (disregarding fractions).

An appointed proxy need not themselves be a Shareholder.

To be valid, the appointment of a proxy (made using a properly completed and executed Proxy Form) must be received by the Company no later than 10am on Monday, 20th November 2023.

Proxy Forms can be submitted in four ways:

- **Online** by visiting the Company's registry website <https://investorcentre.linkmarketservices.com.au/>). Please follow the prompts and have your SRN or HIN available; or
- By **mail** to:  
AVADA Group Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia
- By **facsimile** to +61 2 9287 0309; or
- By **hand** to:  
Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street,  
Parramatta NSW 2150.

Instructions on how to complete the Proxy Form are on the reverse of the Proxy Form attached to this Notice.

If a Proxy Form is signed by an attorney, a Shareholder must also send in the original or a certified copy of the power of attorney or other authority under which the Proxy Form is signed.

## **Voting by Corporate Representative**

A Shareholder or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the Meeting evidence of their appointment unless it has previously been provided to the Registry.

## **Voting by Attorney**

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend and vote at the Meeting on the Shareholder's behalf. An attorney need not themselves be a Shareholder. The power of attorney appointing the attorney must be signed and specify the name of each of the Shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as specified for Proxy Forms.

## **Voting Exclusions**

The Corporations Act and the Listing Rules require that certain persons must not vote in particular ways, and the Company must disregard particular votes cast by or on behalf of certain persons. These voting exclusions are described below.

## **Voting intentions of the Chair**

The Chair intends to vote undirected proxies on, and in favour of, each of the resolutions set out in the Notice of Meeting (subject to the voting exclusions below). If there is a change to how the Chair intends to vote undirected proxies, the Company will make an announcement to the market.

## **Voting Exclusion Statement**

### **Corporations Act**

*Resolution 1* — The Company will disregard votes cast on Resolution 1:

- (a) 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, regardless of the capacity in which the votes are cast; or
- (b) by any person who is a member of the Key Management Personnel as at the time the relevant resolution is voted on at the AGM, or any of their closely related parties, as a proxy.

For the purposes of section 224 of the Corporations Act, the Company will not disregard a vote if:

- (c) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; and
- (d) it is not cast on behalf of a related party or associate 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.

## **Listing Rules**

*Resolution 4* - In accordance with Listing Rule 14.11, votes may not be cast, and the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) any person that participated in the issue of Shares the subject of the resolution; or
- (b) an associate of any of those persons, regardless of the capacity in which the votes are cast, unless the votes are cast by:
  - (i) a person as a proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
  - (ii) 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
  - (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
    - (A) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
    - (B) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

*Resolution 6* — In accordance with Listing Rule 14.11, the Company will disregard votes cast in favour of Resolution 6 by or on behalf of a person, or any associate of that person, who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares). In accordance with Listing Rule 14.11 and the relevant note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting, it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

However, this does not apply to a vote cast in favour of the resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the General 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
- (c) a holding acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolutions; and
  - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.



## **Resolutions**

All items of business involving a vote by Shareholders (other than Resolutions 5 and 6) require ordinary resolutions, which means that, to be passed, the item needs the approval of a simple majority of the votes cast by Shareholders entitled to vote on the resolution.

Resolutions 5 and 6 are special resolutions, which means that, to be passed, the item needs the approval of at least 75% of the votes cast by Shareholders entitled to vote on the resolution.

# Explanatory memorandum

AVADA Group Limited ACN 648 988 783

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This Explanatory Memorandum forms part of, and should be read in conjunction with, the notice of annual general meeting of the Company to be held on Wednesday, 22<sup>nd</sup> November 2023 at 10 am (AEST).

The Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying notice of annual general meeting of the Company.

## Financial Statements and Reports

- 1 The Corporations Act requires that the Directors' Report, the Auditor's Report and the Financial Report be laid before the AGM.
- 2 Apart from matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution of the Company requires a vote of Shareholders at the AGM on the financial statements and reports.
- 3 Shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the financial statements and reports.
- 4 In addition to asking questions at the AGM, Shareholders may address written questions to the Chair about the management of the Company or to the Company's auditor, Deloitte, if the question is relevant to:
  - (a) the content of the Auditor's Report; or
  - (b) the conduct of its audit of the annual financial report to be considered at the meeting.

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

- 5 Written questions for the auditor must be delivered by 5.00pm on Wednesday, 15th November 2023. Please send any written questions for Deloitte to:

*The Company Secretary  
AVADA Group Limited  
Suite 1, Level 2  
116 Ipswich Road  
Woolloongabba QLD 4102*

or via email to: [pfitton@avadagroup.com.au](mailto:pfitton@avadagroup.com.au)

## Resolution 1 — Directors' Remuneration Report

### Background

- 1 The Remuneration Report is contained in the Directors' Report. A copy is available on the Company's website.
- 2 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.

- 3 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining the Company's remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.
- 4 The Remuneration Report:
  - (a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and
  - (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.
- 5 The Chair will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

#### **Directors' recommendation**

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

### **Resolution 2 — Re-election of Courtney Jane Black as a director**

#### **Background**

- 7 Ms Courtney Jane Black was appointed as a Director of the Company on 19 June 2023 to fill a casual vacancy in accordance with rule 19.2(a) of the Constitution.
- 8 Rule 19.2(b) of the Constitution provides that a director appointed to fill a casual vacancy under rule 19.2, who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment.
- 9 Accordingly, Ms Courtney Jane Black will retire from office under rule 19.2(b) of the Constitution and stands for re-election as a Director.
- 10 Ms Black is a seasoned leader with a successful history in strategic, commercial and operational roles across a number of industries, with specialist expertise in customer experience, strategy, transformation and change management. Ms Black is an experienced commercial lawyer and Graduate of the Australian Institute of Company Directors, and has been a director on public, private and not-for-profit boards.
- 11 Ms Black has previously worked as CEO of Virgin Airlines' Velocity Frequent Flyer and Chief Marketing and Loyalty Officer of Virgin Australia, Managing Director and CEO of Shine Lawyers, and Chief of Strategy and Corporate Services for Queensland Rail.

#### **Directors' recommendation**

- 12 The Directors (with Ms Courtney Jane Black abstaining) unanimously recommend that Shareholders vote in favour of this resolution.

### **Resolution 3 — Re-election of Mr Neil Scales OBE as a director**

#### **Background**

- 13 Mr Neil Scales OBE was appointed as a Director of the Company on 25 July 2023 to fill a casual vacancy in accordance with rule 19.2(a) of the Constitution.
- 14 Rule 19.2(b) of the Constitution provides that a director appointed to fill a casual vacancy under rule 19.2, who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment.
- 15 Accordingly, Mr Neil Scales OBE will retire from office under rule 19.2(b) of the Constitution and stands for re-election as a Director.
- 16 Mr Scales is an Adjunct Professor at Queensland University of Technology and was awarded the John Shaw Medal, the highest accolade in the Australian road transport industry. He has contributed to five national transport boards and was recently Australia's first delegate to the World Road Association. Mr Scales is currently deputy Chair of the Australian Road Research Board and holds directorships of the High Speed Rail Authority, the Tourism and Transport Forum, Police Citizens Youth Clubs (PCYC) and the Queensland Transport and Logistics Council.
- 17 Mr Scales led the successful delivery of a number of major transport infrastructure projects including the Toowoomba Bypass and Gold Coast Light Rail. He also led the transport taskforce for the 2018 Commonwealth Games and responses to several natural disasters and the COVID-19 pandemic. Prior to 2012, Mr Scales worked as one of the UK's most senior public transport executives and was awarded Officer of the Most Excellent Order of the British Empire (OBE) for services to public transport.

#### **Directors' recommendation**

- 18 The Directors (with Mr Neil Scales OBE abstaining) unanimously recommend that Shareholders vote in favour of this resolution.

### **Resolution 4 – Approve and ratify the issue of Shares under the 2023 placement**

#### **General Information**

- 19 On 24 August 2023, the Company announced a non-underwritten capital raising to raise approximately \$7 million by issuing up to 11,666,667 shares by way of a two-tranche institutional placement.
- 20 Under tranche one of the Placement (the 'Tranche One Placement'), the Company issued 9,454,667 Shares to institutional and professional Shareholders on 30 August 2023 at \$0.60 per Share, raising approximately \$5,672,800 (the 'Tranche One Placement Shares').
- 21 Under the Company's current placement capacity under Listing Rule 7.1, the Tranche One Placement Shares represent 12.9% of the Company's existing Shares on issue.
- 22 The issue of Shares under tranche two of the Placement was subject to separate approval of Shareholders at an extraordinary general meeting of the Company held on 4 October 2023. As the tranche two placement Shares are required to be approved under Listing Rule 10.11, they will not count towards the Company's placement capacity under Listing Rule 7.1.

**Shareholder ratification**

- 23 Listing Rule 7.1 provides that a listed entity must not, subject to specified exceptions, issue or agree to issue securities during any 12 month period if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.
- 24 An issue of securities which is made with the approval of securityholders is not counted towards the 15% limit in Listing Rule 7.1.
- 25 Listing Rule 7.4 provides that an issue of securities without prior approval under rule 7.1 may be treated as having been made with securityholder approval for the purpose of Listing Rule 7.1 if:
- i. at the time the issue took place, it did not breach Listing Rule 7.1; and
  - ii. securityholders subsequently ratify the issue.
- 26 Resolution 4 is proposed for the purpose of ratifying the issue of the Tranche One Placement Shares in accordance with Listing Rule 7.4 so that they are not counted towards the Company's 15% limit under Listing Rule 7.1.
- 27 While there is no current intention to raise additional capital, the Directors consider it sound practice to maximise the entity's fund-raising flexibility and to create opportunities for increasing Shareholders value by seeking Shareholders ratification of the issue of the Tranche One Placement Shares under Listing Rule 7.4 so that the Tranche One Placement is not counted towards the Company's 15% limit under Listing Rule 7.1.
- 28 If Resolution 4 is passed, the Tranche One Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without approval over the relevant 12-month period.
- 29 If Resolution 4 is not passed, the Tranche One Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of securities the Company can issue without approval over the relevant 12-month period, which will impact on the Company's flexibility for future equity raisings.

**Information required under Listing Rule 7.5**

- 30 The Tranche One Placement Shares were issued pursuant to an institutional placement to existing and new institutional and professional investors, including Regal Funds Management Pty Limited and TIGA Trading Pty Ltd along with professional investors through the Morgans and Unified Capital Partners high net wealth network.
- 31 The Tranche One Placement consisted of an issue of 9,454,667 Shares.
- 32 The Tranche One Placement Shares were ordinary Shares, ranking equally with existing Shares on issue.
- 33 The Tranche One Placement Shares were issued on 30 August 2023 and 31 August 2023.
- 34 The consideration received by the Company for the Tranche One Placement Shares was an issue price of \$0.60 per Tranche One Placement Share under the terms of the Tranche One Placement.
- 35 The purpose of the placement was to raise funds to partially fund the Company's acquisition of the STA Traffic Management business. For more information in relation to the placement and acquisition, refer to the ASX Announcements made by the Company on 24 August 2023.

- 36 Other than as set out in this section and the announcements made by the Company on 24 August 2023, there are no other material terms in relation to the issue.
- 37 A voting exclusion statement is included in the Notice of Meeting.

#### **Directors' recommendation**

- 38 The Directors unanimously recommend that Shareholders vote in favour of this resolution.

#### **Resolution 5 – Appointment of auditor**

- 39 As announced to ASX on 27 September 2023, the Company advised that BDO Audit Pty Ltd (**BDO**) has been appointed as the Company's auditor following an extensive and competitive tender process.
- 40 In accordance with section 329(5) of the Corporations Act, the Australian Securities and Investments Commission has consented to the resignation of the Company's current auditor, Deloitte, with effect from the close of this Annual General Meeting.
- 41 Under section 328B(1) of the Corporations Act, a company may only appoint an auditor at an annual general meeting if a member of the company gives the company written notice of the nomination of the auditor for appointment as auditor. The Company has received such a nomination from a Shareholder, a copy of which is set out in Schedule 1.

#### **Directors' recommendation**

- 42 The Directors unanimously recommend that Shareholders vote in favour of this resolution.

#### **Resolution 6 – Approval of additional 10% capacity under Listing Rule 7.1A**

##### **Background**

- 43 Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12-month period without requiring Shareholder approval. In accordance with the Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and that also have a market capitalisation of \$300 million or less) can issue a further 10% of the Company's share capital over a 12-month period following the AGM (provided Shareholder approval is obtained at the AGM) on a non-pro rata basis.

The Company falls within the eligibility criteria required by Listing Rule 7.1A.

- 44 The number of Shares that may be issued (if Shareholder approval is obtained at the AGM) will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

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

*A is the number of fully paid 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 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 Listing Rule 7.2 exception 9 where:*

- (I) *the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or*
- (II) *the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;*
- (C) *plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:*
  - (I) *the agreement was entered into before the commencement of the relevant period; or*
  - (II) *the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;*
- (D) *plus the number of any other full paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;*

*Note: This may include fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 17 where the issue is subsequently approved under rule 7.1.*
- (E) *plus the number of partly paid ordinary securities that became fully paid in the relevant period;*
- (F) *less the number of fully paid ordinary securities cancelled in the relevant period;*

**D** *is 10%.*

**E** *is the number of equity securities issued or agreed to be issued under Listing 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 Listing Rule 7.4.*

- 45 Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought. For the purposes of Listing Rule 7.3A, the Company provides the following information:

<b>Minimum price at which the equity securities may be issued</b>	<p>Any equity securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average price for the security in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ul style="list-style-type: none"> <li>(a) the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or</li> <li>(b) if the securities are not issued within 10 trading days of the date in paragraph (a), the date on which the securities are issued.</li> </ul>
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<b>Risk of economic and voting dilution</b>	<p>An issue of equity securities under Listing Rule 7.1A.2 involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ul style="list-style-type: none"> <li>(a) the market price for equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and</li> <li>(b) the equity securities may be issued at a price that is at a discount to the market price for the equity securities on the issue date.</li> </ul> <p>In accordance with Listing Rule 7.3A.4 a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
<b>Period for which the approval will be valid</b>	<p>The period commencing on the date of the Annual General Meeting at which approval is obtained and expiring on the first to occur of the following:</p> <ul style="list-style-type: none"> <li>(a) the date which is 12 months after the date of the annual general meeting at which approval is obtained;</li> <li>(b) the time and date of the Company's next annual general meeting; or</li> <li>(c) the time and date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2.</li> </ul>
<b>Purposes for which the equity securities may be issued</b>	<p>It is the Board's current intention that any funds raised pursuant to an issue of securities will be applied towards working capital purposes. This would principally include:</p> <ul style="list-style-type: none"> <li>(a) maintenance or acquisition of assets;</li> <li>(b) business acquisitions; and</li> <li>(c) debt repayment.</li> </ul>
<b>Details of the Company's allocation policy for issues under approval</b>	<p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following:</p> <ul style="list-style-type: none"> <li>(a) the methods of raising funds that are available to the Company including but not limited to, rights issues or other issues in which existing security holders can participate;</li> <li>(b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company;</li> <li>(c) the financial situation and solvency of the Company; and</li> <li>(d) advice from corporate, financial and broking advisers (if applicable).</li> </ul> <p>The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.</p>
<b>Previous approvals under Listing Rule 7.1A</b>	<p>The Company previously sought, and obtained, approval under Listing Rule 7.1A at the 2022 AGM. However, the Company has not issued any Equity Securities in reliance on Listing Rule 7.1A to date.</p>



#### Information under Listing Rule 7.3A.4

46 The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities 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 Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.26 50% decrease in Issue Price	\$0.52 Current Market Price	\$1.04 100% increase in Issue Price
<b>Current Variable A* 84,935,025 Shares</b>	10% Voting Dilution	<b>8,493,503 Shares</b>	<b>8,493,503 Shares</b>	<b>8,493,503 Shares</b>
	Funds raised	<b>\$2,208,311</b>	<b>\$4,416,621</b>	<b>\$8,833,243</b>
<b>50% increase in current Variable A* 127,402,538 Shares</b>	10% Voting Dilution	<b>12,740,254 Shares</b>	<b>12,740,254 Shares</b>	<b>12,740,254 Shares</b>
	Funds raised	<b>\$3,312,466</b>	<b>\$6,624,932</b>	<b>\$13,249,864</b>
<b>100% increase in current Variable A* 169,870,050 Shares</b>	10% Voting Dilution	<b>16,987,005 Shares</b>	<b>16,987,005 Shares</b>	<b>16,987,005 Shares</b>
	Funds raised	<b>\$4,416,621</b>	<b>\$8,833,243</b>	<b>\$17,666,485</b>

\*Note: Current Variable A refers to the calculation required by Listing Rule 7.1A.2 which, in the Company's case, equates to the current issued share capital of the Company.

The table has been prepared on the following assumptions:

- (a) the Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval;
- (b) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
- (c) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of a share issue under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting;
- (d) the table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;
- (e) the issue of Shares under Listing Rule 7.1A consists only of Shares; and

the issue price is \$0.52, being the closing price of the shares on ASX on 20 October 2023.

- 47 As at the date of the Notice of Meeting, the Company has on issue 84,935,025 Shares. Subject to Shareholder approval being obtained for Resolutions 4 and 6, the Company will have capacity to issue the following equity securities as at the date of the AGM:
  - (a) 12,740,254 Shares (under Listing Rule 7.1); and
  - (b) 8,493,503 Shares (under Listing Rule 7.1A).<sup>1</sup>
- 48 Listing Rule 7.1A requires Resolution 6 to be passed as a special resolution. A special resolution needs approval by at least 75% of the votes cast by members entitled to vote on the resolution.
- 49 If Resolution 6 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 (15%) and 7.1A (10%) without any further Shareholder approval.
- 50 If Resolution 6 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

### **Directors' recommendation**

- 51 The directors unanimously recommend that Shareholders vote in favour of this resolution.

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<sup>1</sup> The actual number of Shares the Company will have capacity to issue under Listing Rule 7.1A may vary and will be determined at the date of issue in accordance with Listing Rule 7.1A.2 (as illustrated in the table above).

## Schedule

### Glossary

<b>Annual General Meeting, AGM or Meeting</b>	means the Company's annual general meeting the subject of this Notice of Meeting.
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
<b>Auditor's Report</b>	means the auditor's report of the Company for the year ended 30 June 2023.
<b>Board</b>	means the board of directors of the Company.
<b>Business Day</b>	means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.
<b>closely related party</b>	of a member of Key Management Personnel means: <ul style="list-style-type: none"> <li>o a spouse or child of the member;</li> <li>o a child of the member's spouse;</li> <li>o a dependent of the member or the member's spouse;</li> <li>o anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;</li> <li>o a company the member controls; or</li> <li>o a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of "closely related party" in the Corporations Act.</li> </ul>
<b>Company</b>	means AVADA Group Limited ACN 648 988 783.
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	means the directors of the Company and <b>Director</b> means any one of them.
<b>Directors' Report</b>	means the directors' report of Company for the 2023 financial year.
<b>Equity Securities</b>	has the meaning set out in the Listing Rules.
<b>Existing Constitution</b>	means the constitution of the Company.
<b>Explanatory Memorandum</b>	means the explanatory memorandum attached to the Notice of Meeting.
<b>Financial Report</b>	means the financial report of the Company for the year ended 30 June 2023.
<b>Key Management Personnel</b>	has the same meaning as in the Corporations Act and means those 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.
<b>Listing Rules</b>	means the listing rules of ASX.

<b>Notice of Meeting</b>	means the notice of meeting and includes the Explanatory Memorandum.
<b>Registry</b>	means Link Market Services.
<b>Remuneration Report</b>	means the section of the Directors' Report for the 2023 financial year that is included under section 300A(1) of the Corporations Act.
<b>Shares</b>	means the existing fully paid ordinary shares in the Company.
<b>Shareholder</b>	means a person who is the registered holder of Shares.
<b>Tranche One Placement</b>	has the meaning given to that term in the Explanatory Memorandum.
<b>Tranche One Placement Shares</b>	has the meaning given to that term in the Explanatory Memorandum.

## Schedule 1 – Notice Of Nomination

The Directors

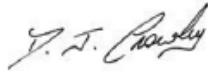
AVADA Group Limited  
116 Ipswich Road  
BRISBANE QLD 4001

14 September 2023

Dear Directors

The undersigned being a member of AVADA Group Limited hereby nominates BDO Audit Pty Ltd for appointment as auditor of the company at the forthcoming annual general meeting.

Yours faithfully



Daniel James Crowley  
Shareholder, CEO and Managing Director

## LODGE YOUR VOTE



### ONLINE

<https://investorcentre.linkgroup.com>



### BY MAIL

AVADA Group Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia



### BY FAX

+61 2 9287 0309



### BY HAND

Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150



### ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474



**X99999999999**

## PROXY FORM

I/We being a member(s) of AVADA Group Ltd and entitled to attend and vote hereby appoint:

### APPOINT A PROXY



the Chairman of the Meeting (mark box)

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy



or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (Brisbane time) on Wednesday, 22 November 2023** (the **Meeting**) and at any postponement or adjournment of the Meeting.

You can attend the meeting at **Allens, Level 26, 480 Queen Street, Brisbane QLD 4000** or you can view a webcast of the Meeting by logging in online at <https://meetings.linkgroup.com/AVD23> (refer to details in the Annual General Meeting Online Guide).

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

#### Resolutions

1 Directors' Remuneration Report

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

5 Appointment of auditor

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

2 Re-election of Courtney Jane Black as a director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

6 Approval of additional 10% capacity under Listing Rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

3 Re-election of Neil Scales OBE as a director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------

4 Approve and ratify the issue of Shares under the 2023 placement

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------	--------------------------



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

**AVD PRX2302C**

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. 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 in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO 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 those 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 Form, including where the Resolution is 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 placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Brisbane time) on Monday, 20 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

AVADA Group Ltd  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

\* During business hours (Monday to Friday, 9:00am–5:00pm)



# Meeting Online Guide

## Before you begin

Ensure your browser is compatible.  
Check your current browser by going to the website: **[whatismybrowser.com](http://whatismybrowser.com)**

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Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 & OS X v10.10 and after
- Internet Explorer 9 and up

**To attend and ask questions you must have your securityholder number and postcode.**

Appointed Proxy: Your proxy number will be provided by Link before the meeting.

**Please make sure you have this information before proceeding.**



Welcome to the Link Group Annual General Meeting

**LINK**Group

Please register your details to participate

Full Name

Mobile (e.g. 022 123 1234)

Email

Company Name

☐ I have read and accept the [Terms & Conditions](#)

**REGISTER AND WATCH AGM**

Help Numbers: 1800 990 363

## Step 1

Open your web browser and go to <https://meetings.linkgroup.com/AVD23> and select the relevant meeting.

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## Step 2

Log in to the portal using your full name, mobile number, email address, and company name (if applicable).

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Please read and accept the terms and conditions before clicking on the **'Register and Watch Meeting'** button.

- On the left – a live webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting
- At the bottom – button for a list of company documents to download

**Note:** If you close your browser, your session will expire and you will need to re-register. If using the same email address, you can request a link to be emailed to you to log back in.

## Downloads

View relevant documentation in the Downloads section.

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## Contact us

### Australia

T 1300 554 474

E [info@linkmarketservices.com.au](mailto:info@linkmarketservices.com.au)

### New Zealand

T +64 9 375 5998

E [enquiries@linkmarketservices.co.nz](mailto:enquiries@linkmarketservices.co.nz)