



Proteomics International

LABORATORIES LTD

ASX Release

13 December 2021

ASX code: PIQ

Issue of Equity Incentives to Employees

Proteomics International Laboratories Ltd (Proteomics International; ASX: PIQ) advises that 143,334 performance rights have been issued to employees of the Company.

The performance rights were issued under the Performance Rights Plan as part of the incentive structures for employees.

The terms and conditions of the performance rights follow this announcement. An Appendix 3G notice will be lodged separately.

Authorised by the Board Proteomics International Laboratories Ltd (ASX:PIQ).

ENDS

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Terms and Conditions of Performance Rights

- a) **(Performance Rights)**: The following Performance Rights were issued to employees:

Class of Performance Rights	Number
FY22 Class A Performance Rights	47,778
FY22 Class B Performance Rights	47,778
FY22 Class C Performance Rights	47,778

- b) **(Vesting Conditions)**: The Performance Rights will vest upon satisfaction of the following milestones:

- (i) FY22 Class A Performance Rights: subject to continuous service under the Employment Contract, the FY22 Class A Performance Rights will vest on 30 June 2022;
- (ii) FY22 Class B Performance Rights: subject to continuous service under the Employment Contract, the FY22 Class B Performance Rights will vest on 30 June 2023;
- (iii) FY22 Class C Performance Rights: subject to continuous service under the Employment Contract, the FY22 Class C Performance Rights will vest on 30 June 2024;

- c) **(Conversion)**: Subject to paragraph (g), upon vesting, each Performance Right will, at the election of the holder, convert into one (1) fully paid ordinary share (**Share**).

- d) **(Expiry)**: Each of the Performance Rights will lapse on the following dates:

- (i) FY22 Class A - 31 July 2022
- (ii) FY22 Class B – 31 July 2023
- (iii) FY22 Class C – 31 July 2024,

(respectively the **Relevant Expiry Dates**).

Any Performance Right not vested before the Relevant Expiry Date shall automatically lapse on the Relevant Expiry Date and the holder shall have no entitlement to Shares pursuant to those Performance Rights.

- e) **(Notification to holder)**: The Company shall notify the holder in writing when the Vesting Condition has been satisfied.

- f) **(Change in control)**: Subject to paragraph (g), upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - a. having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - b. having been declared unconditional by the bidder.
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the Vesting Condition, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

- g) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Performance Right under paragraph (c) or (f) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (g)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- h) **(Automatic Lapse):** In the event the holder ceases to be employed by the Company, or their engagement with the Company is discontinued, all Performance Rights shall automatically lapse unless the holder ceases to be employed or engaged as a result of being removed from office by the Company other than for misconduct in which case the Board may, in its absolute discretion, determine that all or a specified number of a holder's Performance Rights automatically vest.
- i) **(Nil Consideration):** The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting or conversion of the Performance Rights into Shares.
- j) **(Quotation):** The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued on conversion of Performance Rights on ASX within 5 Business Days after the date of issue of those Shares.
- k) **(Timing of Shares on Conversion):** Within 5 business days after the date that the Performance Rights are converted, the Company will:
- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the Official List of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.
- If a notice delivered under (k)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- l) **(Pari Passu):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- m) **(Holding Statements):** The Company will issue the Holder with a new holding statement for the Shares as soon as practicable following conversion of the Performance Rights into Shares.
- n) **(Non-transferable):** The Performance Rights are not transferable except in special circumstances as set out in the Performance Rights Plan.
- o) **(Bonus Issue):** If Shares are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment) involving capitalisation or

reserves or distributable profits, the number of Performance Rights to which each holder is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage accrues to the holder as a result of the bonus issue and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the bonus issue.

- p) **(Re-organisation)**: In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Participant is entitled, or any amount payable on vesting of the Performance Rights, or both as appropriate, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the holder as a result of such corporate actions and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- q) **(No Participation Rights)**: A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right..
- r) **(Voting and Dividends)**: A Performance Right does not confer the right to vote or receive dividends.
- s) **(No rights to return of capital)**: A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- t) **(Rights on winding up)**: A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- u) **(No other rights)**: A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- v) **(Plan)**: The terms of the Performance Rights are supplemented by the terms of the Company's Performance Rights Plan.