



AVADA Group Limited
ACN 648 988 783
Suite 1, Level 2, 116 Ipswich Road
Woolloongabba, QLD 4102
www.avadagroup.com.au

05 September 2023

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to provide the Notice of Extraordinary General Meeting for AVADA Group Limited (AVADA or Company), a copy of which accompanies this letter.

The EGM will be held on Wednesday, 4 October 2023 at Suite 1, Level 2, 116 Ipswich Road Woolloongabba, QLD 4102 at 14:00 Brisbane time (the Meeting).

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 statement (Meeting Materials) are available to shareholders electronically and can be viewed and downloaded at <https://avadagroup.com.au/announcements/>.

Voting on the day of the Extraordinary General Meeting will only be permissible by shareholders who are physically present at the meeting.

Full details on how to lodge your Proxy vote are detailed in the Notice of Meeting Materials with online proxy voting being available to all shareholders at <https://investorcentre.linkgroup.com> using the holding details (SRN or HIN), which will be on your personalized Proxy Form sent to you via mail. Once logged in, select 'Voting' and follow the prompts to lodge your vote.

Proxy voting closes at 14:00pm (Brisbane time) on Monday, 2 October 2023.

Your continued support is greatly appreciated.

Lance Hockridge
Chairman

AVADA Group Limited
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Notice of Extraordinary General Meeting

Notice is given that an Extraordinary General Meeting of shareholders of AVADA Group Limited (ACN 648 988 783) (the **Company**) will be held on Wednesday, 4 October 2023 at Suite 1, Level 2, 116 Ipswich Road Woolloongabba, QLD 4102 at 14:00 Brisbane time (the **Meeting**).

Important: The resolutions set out in this Notice should be read together with the accompanying Explanatory Memorandum.

Agenda

Resolution 1 – Issue of Shares to a related party, Mr Daniel Crowley (or his nominees), under the Conditional Placement

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

'That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,250,000 new Shares in the capital of the Company at an issue price of \$0.60 per Share to Mr Daniel Crowley (or his nominees), on the terms and conditions set out in the Explanatory Memorandum.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 2 – Issue of Shares to a related party, Mr Lance Hockridge (or his nominees), under the Conditional Placement

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

'That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 583,333 new Shares in the capital of the Company at an issue price of \$0.60 per Share to Mr Lance Hockridge (or his nominees), on the terms and conditions set out in the Explanatory Memorandum.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 3 – Issue of Shares to a related party, Ms Courtney Black (or her nominees), under the Conditional Placement

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

'That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 166,667 new Shares in the capital of the Company at an issue price of \$0.60 per Share to Ms Courtney Black (or her nominees), on the terms and conditions set out in the Explanatory Memorandum.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

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Resolution 4 – Issue of Shares to a related party, Ms Ann-Maree Robertson (or her nominees), under the Conditional Placement

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

'That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 83,333 new Shares in the capital of the Company at an issue price of \$0.60 per Share to Ms Ann-Maree Robertson (or her nominees), on the terms and conditions set out in the Explanatory Memorandum.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

Resolution 5 – Issue of Shares to a related party, Mr Neil Scales OBE (or his nominees), under the Conditional Placement

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

'That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 16,667 new Shares in the capital of the Company at an issue price of \$0.60 per Share to Mr Neil Scales (or his nominees), on the terms and conditions set out in the Explanatory Memorandum.'

Voting exclusion

The Company will disregard any votes cast on this resolution by certain persons. Details of the applicable voting exclusions are set out in the 'Voting exclusions' section of the Notes to this Notice.

The attached Explanatory Memorandum is incorporated into and forms part of this Notice. Detailed explanations of the background and reasons for the proposed resolutions are set out in the Explanatory Memorandum.

By order of the Board of Directors



Paul Fitton
Company Secretary

5 September 2023
Dated

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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 Shareholders of the Company at 7:00pm (Sydney time) on 2 October 2023 will be taken to be holders of 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 48 hours before the commencement of the Meeting (i.e. 14:00 Brisbane Time on Monday, 2 October 2023).

Proxy Forms can be submitted in four ways

- **Online** by visiting the Company's registry's website (<https://investorcentre.linkgroup.com>). Please follow the prompts and have your SRN or HIN available
- 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 0303
- By **hand** to:
Link Market Services Limited
Parramatta Square, Level 22, Tower 6
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.

Undirected Proxies

The Chair intends to vote undirected proxy votes in favour of all resolutions (subject to the voting exclusions below).

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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 his or her appointment unless it has previously been provided to the Company's 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 ASX 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, on each of the Resolutions to be considered at the Extraordinary General Meeting. These voting exclusions are described below.

Under Listing Rule 14.11, the Company will disregard any votes cast in favour of a Resolution by or on behalf of:

- (a) the below named person or class of persons excluded from voting; or
- (b) an associate of that person or those persons:

Resolution	Persons excluded from voting
Resolution 1 – Issue of Shares to a related party, Mr Daniel Crowley (or his nominees), under the Conditional Placement	Mr Daniel Crowley (and his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).
Resolution 2 – Issue of Shares to a related party, Mr Lance Hockridge (or his nominees), under the Conditional Placement	Mr Lance Hockridge (and his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).
Resolution 3 – Issue of Shares to a related party, Ms Courtney Black (or her nominees), under the Conditional Placement	Ms Courtney Black (and her nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).
Resolution 4 – Issue of Shares to a related party, Ms Ann-Maree Robertson (or her nominees), under the Conditional Placement	Ms Ann-Maree Robertson (and her nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company).
Resolution 5 – Issue of Shares to a related party, Mr Neil Scales	Mr Neil Scales (and his nominee/s) and any other person who will obtain a material benefit as a result of the issue of the securities

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Resolution	Persons excluded from voting
OBE (or his nominees), under the Conditional Placement	(except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

- (a) a person as 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
- (b) the Chair 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 holder acting solely as 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 Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will also apply these voting exclusions to persons appointed as attorney by a Shareholder to attend and vote at the Extraordinary General Meeting under a power of attorney, as if they were appointed as a proxy.

Resolutions

All items of business involving a vote by Shareholders 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.

Explanatory Memorandum

This Explanatory Memorandum forms part of the notice convening the Extraordinary General Meeting of AVADA Group Limited to be held on Wednesday, 4 October 2023 at Suite 1, Level 2, 116 Ipswich Road Woolloongabba, QLD 4102 at 14:00 Brisbane time.

Background to the Extraordinary General Meeting and Resolutions

Capital Raising

On 24 August 2023, the Company announced that it will undertake a non-underwritten capital raising to raise approximately \$7 million, comprising:

- a placement to institutional and sophisticated investors to raise approximately \$5.74 million within the Company's current placement capacity under ASX Listing Rule 7.1 (**Tranche 1 Placement**), through the issue of 9,454,667 million new Shares (representing approximately 13.1% of the total Shares of the Company prior to the issue); and
- subject to obtaining Shareholder approval and completion of the Tranche 1 Placement, a non-underwritten placement of new Shares, at the same issue price per new Share as the Tranche 1 Placement, including to each of the following Directors (or entities associated with them) to raise approximately \$1.26 million in aggregate:
 - Mr Daniel Crowley
 - Mr Lance Hockridge
 - Ms Courtney Black
 - Ms Ann-Maree Robertson
 - Mr Neil Scales OBE(the **Tranche 2 Placement**).

Tranche 2 Placement

The Tranche 2 Placement is conditional on Shareholder approval being obtained at the Meeting.

The Resolutions seek shareholder approval for the purposes of Listing Rule 10.11 to approve the issue of Shares under the Tranche 2 Placement to Mr Daniel Crowley, Mr Lance Hockridge, Ms Courtney Black, Ms Ann-Maree and Mr Neil Scales OBE or their respective nominees (which will be entities that are associated with each of the respective Directors).

Following completion of the Tranche 2 Placement, each Director (or entities associated with each Director) will hold the following interests in the total issued Share capital of the Company:

- Mr Daniel Crowley – 23.75%
- Mr Lance Hockridge – 9.66%
- Ms Courtney Black – 0.20%
- Ms Ann-Maree Robertson – 0.16%
- Mr Neil Scales OBE – 0.02%

Use of funds

Net proceeds from the Tranche 2 Placement, combined with the Tranche 1 Placement, will partially fund the acquisition of STA Traffic Management Pty Ltd, as announced to ASX on 24 August 2023 (the

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Acquisition). The Acquisition is part of an ongoing strategy to expand AVADA across Australia and New Zealand and continue to be a leading traffic management operator.

The acquisition provides AVADA the opportunity to diversify its client base, as STA primarily services corporate clients in the infrastructure and utilities sectors in Victoria. In addition to expanding and diversifying AVADA's customer base and footprint in Victoria, the acquisition of STA Traffic Management brings synergies and integration benefits through allocation of resources and back office efficiencies.

For further information regarding the Acquisition, please refer to the ASX announcements of 24 August 2023.

Listing Rules

Broadly speaking, Listing Rule 7.1 limits the number of equity securities a company can issue in a 12 month period to 15% of its issued share capital, except for certain issues, including where first approved by shareholders.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to a related party unless it obtains the approval of its shareholders. Securities issued with shareholder approval under Listing Rule 10.11 are not included in the 15% capacity under Listing Rule 7.1.

The issues under the Conditional Placements each fall within Listing Rule 10.11.1, and do not fall within any of the exceptions in Listing Rule 10.12. Each Conditional Placement therefore requires the approval of Shareholders under Listing Rule 10.11.

Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provision; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Related party is widely defined under the Corporations Act and includes directors of a company. Financial benefit is defined broadly and includes benefits from the public company's subsidiaries. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

As the issue price under the Tranche 2 Placement is the same as the issue price under the Tranche 1 Placement, the Board considers the proposed issues under the Tranche 2 Placement to be reasonable in the circumstances as if the Company and each Director were dealing at arm's length so that Shareholder approval is not required under Chapter 2E of the Corporations Act.

Resolutions

1 Resolution 1 – Issue of Shares to Mr Daniel Crowley (or his nominees) under the Conditional Placement

Resolution 1 seeks Shareholder approval under Listing Rule 10.11 for the issue of Shares to Mr Daniel Crowley, a Director, or his nominees.

If Resolution 1 is passed, the Company can proceed with the issue. Approval under Listing Rule 10.11 means that Shareholder approval is not required under Listing Rule 7.1 and the issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue. If this happens, the Company may not be able to apply the expected proceeds of this Conditional

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Placement as intended and in accordance with the 'Use of funds' section of this Explanatory Memorandum, which may affect the prospects of the Company.

For the purposes of Listing Rule 10.13, the following information is provided for the issue of Shares under Resolution 1:

- (a) The person participating in the issue is Mr Daniel Crowley, a Director. As a Director, Mr Daniel Crowley is a related party and subject to Listing Rule 10.11.1. Any nominee entity of Mr Daniel Crowley will be an "associate" of Mr Daniel Crowley and subject to Listing Rule 10.11.4.
- (b) The number of Shares to be issued is 1,250,000 Shares.
- (c) The Shares to be issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing fully paid ordinary shares on issue.
- (d) The Shares will be issued on the date that is 2 Business Days after the date of the Meeting.
- (e) The Shares will be issued at an issue price of \$0.60 per Share.
- (f) The purpose of the issue is to partially fund the Acquisition, as further described in the 'Use of funds' section of this Explanatory Memorandum.
- (g) The issue is not intended to remunerate or incentivise any Director.
- (h) Other than those set out in this Explanatory Memorandum, there are no other material terms in relation to the issue.
- (i) A voting exclusion statement is included in the Notes to the Notice of Extraordinary General Meeting.

2 Resolution 2 – Issue of Shares to Mr Lance Hockridge (or his nominees) under the Conditional Placement

Resolution 2 seeks Shareholder approval under Listing Rule 10.11 for the issue of Shares to Mr Lance Hockridge, a Director, or his nominees.

If Resolution 2 is passed, the Company can proceed with the issue. Approval under Listing Rule 10.11 means that Shareholder approval is not required under Listing Rule 7.1 and the issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue. If this happens, the Company may not be able to apply the expected proceeds of this Conditional Placement as intended and in accordance with the 'Use of funds' section of this Explanatory Memorandum, which may affect the prospects of the Company.

For the purposes of Listing Rule 10.13, the following information is provided for the issue of Shares under Resolution 2:

- (a) The person participating in the issue is Mr Lance Hockridge, a Director. As a Director, Mr Lance Hockridge is a related party and subject to Listing Rule 10.11.1. Any nominee entity of Mr Lance Hockridge will be an "associate" of Mr Lance Hockridge and subject to Listing Rule 10.11.4.
- (b) The number of Shares to be issued is 583,333 Shares.
- (c) The Shares to be issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing fully paid ordinary shares on issue.
- (d) The Shares will be issued on the date that is 2 Business Days after the date of the Meeting.

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- (e) The Shares will be issued at an issue price of \$0.60 per Share.
- (f) The purpose of the issue is to partially fund the Acquisition, as further described in the 'Use of funds' section of this Explanatory Memorandum.
- (g) The issue is not intended to remunerate or incentivise any Director.
- (h) Other than those set out in this Explanatory Memorandum, there are no other material terms in relation to the issue.
- (i) A voting exclusion statement is included in the Notes to the Notice of Extraordinary General Meeting.

3 Resolution 3 – Issue of Shares to Ms Courtney Black (or her nominees) under the Conditional Placement

Resolution 3 seeks Shareholder approval under Listing Rule 10.11 for the issue of Shares to Ms Courtney Black, a Director, or her nominees.

If Resolution 3 is passed, the Company can proceed with the issue. Approval under Listing Rule 10.11 means that Shareholder approval is not required under Listing Rule 7.1 and the issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue. If this happens, the Company may not be able to apply the expected proceeds of this Conditional Placement as intended and in accordance with the 'Use of funds' section of this Explanatory Memorandum, which may affect the prospects of the Company.

For the purposes of Listing Rule 10.13, the following information is provided for the issue of Shares under Resolution 3:

- (a) The person participating in the issue is Ms Courtney Black, a Director. As a Director, Ms Courtney Black is a related party and subject to Listing Rule 10.11.1. Any nominee entity of Ms Courtney Black will be an "associate" of Ms Courtney Black and subject to Listing Rule 10.11.4.
- (b) The number of Shares to be issued is 166,667 Shares.
- (c) The Shares to be issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing fully paid ordinary shares on issue.
- (d) The Shares will be issued on the date that is 2 Business Days after the date of the Meeting.
- (e) The Shares will be issued at an issue price of \$0.60 per Share.
- (f) The purpose of the issue is to partially fund the Acquisition, as further described in the 'Use of funds' section of this Explanatory Memorandum.
- (g) The issue is not intended to remunerate or incentivise any Director.
- (h) Other than those set out in this Explanatory Memorandum, there are no other material terms in relation to the issue.
- (i) A voting exclusion statement is included in the Notes to the Notice of Extraordinary General Meeting.

4 Resolution 4 – Issue of Shares to Ms Ann-Maree Robertson (or her nominees) under the Conditional Placement

Resolution 4 seeks Shareholder approval under Listing Rule 10.11 for the issue of Shares to Ms Ann-Maree Robertson, a Director, or her nominees.

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If Resolution 4 is passed, the Company can proceed with the issue. Approval under Listing Rule 10.11 means that Shareholder approval is not required under Listing Rule 7.1 and the issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue. If this happens, the Company may not be able to apply the expected proceeds of this Conditional Placement as intended and in accordance with the 'Use of funds' section of this Explanatory Memorandum, which may affect the prospects of the Company.

For the purposes of Listing Rule 10.13, the following information is provided for the issue of Shares under Resolution 4:

- (a) The person participating in the issue is Ms Ann-Maree Robertson, a Director. As a Director, Ms Ann-Maree Robertson is a related party and subject to Listing Rule 10.11.1. Any nominee entity of Ms Ann-Maree Robertson will be an "associate" of Ms Ann-Maree Robertson and subject to Listing Rule 10.11.4.
- (b) The number of Shares to be issued is 83,333 Shares.
- (c) The Shares to be issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing fully paid ordinary shares on issue.
- (d) The Shares will be issued on the date that is 2 Business Days after the date of the Meeting.
- (e) The Shares will be issued at an issue price of \$0.60 per Share.
- (f) The purpose of the issue is to partially fund the Acquisition, as further described in the 'Use of funds' section of this Explanatory Memorandum.
- (g) The issue is not intended to remunerate or incentivise any Director.
- (h) Other than those set out in this Explanatory Memorandum, there are no other material terms in relation to the issue.
- (i) A voting exclusion statement is included in the Notes to the Notice of Extraordinary General Meeting.

5 Resolution 5 – Issue of Shares to Mr Neil Scales OBE (or his nominees) under the Conditional Placement

Resolution 5 seeks Shareholder approval under Listing Rule 10.11 for the issue of Shares to Mr Neil Scales, a Director, or his nominees.

If Resolution 5 is passed, the Company can proceed with the issue. Approval under Listing Rule 10.11 means that Shareholder approval is not required under Listing Rule 7.1 and the issue will not reduce the Company's 15% placement capacity under Listing Rule 7.1.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue. If this happens, the Company may not be able to apply the expected proceeds of this Conditional Placement as intended and in accordance with the 'Use of funds' section of this Explanatory Memorandum, which may affect the prospects of the Company.

For the purposes of Listing Rule 10.13, the following information is provided for the issue of Shares under Resolution 5:

- (a) The person participating in the issue is Mr Neil Scales OBE, a Director. As a Director, Mr Neil Scales OBE is a related party and subject to Listing Rule 10.11.1. Any nominee entity of Mr Neil Scales OBE will be an "associate" of Mr Neil Scales OBE and subject to Listing Rule 10.11.4.
- (b) The number of Shares to be issued is 16,667 Shares.

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- (c) The Shares to be issued are fully paid ordinary shares in the capital of the Company, ranking equally with existing fully paid ordinary shares on issue.
- (d) The Shares will be issued on the date that is 2 Business Days after the date of the Meeting.
- (e) The Shares will be issued at an issue price of \$0.60 per Share.
- (f) The purpose of the issue is to partially fund the Acquisition, as further described in the 'Use of funds' section of this Explanatory Memorandum.
- (g) The issue is not intended to remunerate or incentivise any Director.
- (h) Other than those set out in this Explanatory Memorandum, there are no other material terms in relation to the issue.
- (i) A voting exclusion statement is included in the Notes to the Notice of Extraordinary General Meeting.

Directors' recommendations

1 Resolution 1 – Issue of Shares to Mr Daniel Crowley (or his nominees) under a non-underwritten placement

The Directors (with Mr Daniel Crowley abstaining) unanimously recommend that Shareholders vote in favour of Resolution 1 so the proceeds of the issue can be applied as set out under the heading 'Use of funds' in this Explanatory Memorandum.

2 Resolution 2 – Issue of Shares to Mr Lance Hockridge (or his nominees) under a non-underwritten placement

The Directors (with Mr Lance Hockridge abstaining) unanimously recommend that Shareholders vote in favour of Resolution 2 so the proceeds of the issue can be applied as set out under the heading 'Use of funds' in this Explanatory Memorandum.

3 Resolution 3 – Issue of Shares to Ms Courtney Black (or her nominees) under a non-underwritten placement

The Directors (with Ms Courtney Black) unanimously recommend that Shareholders vote in favour of Resolution 3 so the proceeds of the issue can be applied as set out under the heading 'Use of funds' in this Explanatory Memorandum.

4 Resolution 4 – Issue of Shares to Ms Ann-Maree Robertson (or her nominees) under a non-underwritten placement

The Directors (with Ms Ann-Maree Robertson abstaining) unanimously recommend that Shareholders vote in favour of Resolution 4 so the proceeds can be applied as set out under the heading 'Use of funds' in this Explanatory Memorandum.

5 Resolution 5 – Issue of Shares to Mr Neil Scales OBE (or his nominees) under a non-underwritten placement

The Directors (with Mr Neil Scales OBE abstaining) unanimously recommend that Shareholders vote in favour of Resolution 5 so the proceeds of the issue can be applied as set out under the heading 'Use of funds' in this Explanatory Memorandum.

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Glossary

The following terms used in the Notice of Meeting and the Explanatory Memorandum are defined as follows:

\$ means Australian dollars.

AEST means Australian Eastern Standard Time.

ASX means the ASX Limited or the securities exchange operated by it (as the case requires).

Board means the board of Directors of the Company from time to time.

Chair means the person appointed Chair of the Meeting.

Company means AVADA Group Limited (ACN 648 988 783).

Corporations Act means the *Corporations Act 2001* (Cth) as amended from time to time.

Directors means the directors of the Company from time to time.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Listing Rules means the official listing rules of the ASX as amended from time to time.

Meeting means the Extraordinary General Meeting of Shareholders to be held on Wednesday, 4 October 2023 as convened by the accompanying Notice of Meeting.

Notice of Meeting or **Notice** means the notice of meeting giving notice to Shareholders of the Meeting, accompanying this Explanatory Memorandum.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast by those entitled to vote on the resolution.

Proxy Form means the proxy form accompanying the Notice of Meeting.

Resolutions means the resolutions set out in the Notice of Meeting.

Shareholder means a registered holder of Shares.

Shares means fully paid ordinary shares in the Company.

Tranche 1 Placement has the meaning given to it under the heading 'Background to the Extraordinary General Meeting' in the Explanatory Memorandum.

Tranche 2 Placement has the meaning given to it under the heading 'Background to the Extraordinary General Meeting' in the Explanatory Memorandum.

LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
AVADA Group Limited
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 Limited 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 Extraordinary General Meeting of the Company to be held at **14:00pm (Brisbane time) on Wednesday, 4 October 2023 at Suite 1, Level 2, 116 Ipswich Road Woolloongabba, QLD 4102** (the **Meeting**) and at any postponement or adjournment of the Meeting.

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 Issue of Shares to a related party, Mr Daniel Crowley (or his nominees), under the Conditional Placement
- 2 Issue of Shares to a related party, Mr Lance Hockridge (or his nominees), under the Conditional Placement
- 3 Issue of Shares to a related party, Ms Courtney Black (or her nominees), under the Conditional Placement
- 4 Issue of Shares to a related party, Ms Anne-Maree Robertson (or her nominees), under the Conditional Placement

For Against Abstain*

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

- 5 Issue of Shares to a related party, Mr Neil Scales OBE (or his nominees), under the Conditional Placement

For Against Abstain*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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 * 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 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 PRX2301A



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.

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:

- 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
- 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.

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 **14:00pm (Brisbane time) on Monday, 2 October 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 Limited
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)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**