

ASX Announcement

18 November 2022

General Meeting of Elsie Limited to be held on Monday, 19 December 2022 at 4:30pm (AEDT)

In accordance with Listing Rule 3.17, please see attached copy of the following documents:

1. Notice of General Meeting;
2. Proxy Form; and
3. A Letter to Shareholders regarding arrangements for the General Meeting as despatched to Shareholders in lieu of the Notice of Meeting;

Authorised for release by the Board of Directors of Elsie Limited.

-ENDS-

For more information, please contact:

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About Elsie

Elsie (ASX:ELS) (www.elsie.com) Elsie delivers Absolute Connection with 24/7 Confidence. Our proprietary bonding technology incorporates both software and hardware elements to deliver extremely reliable, secure, high bandwidth, real-time connectivity - even in the most challenging areas for stationary, portable, or actively mobile situational requirements.



(ACN 616 435 753)

Notice of General Meeting

Notice is given that the General Meeting of Shareholders of Elsieht Limited (**ELS** or the **Company**) will be held as follows:

Date: **Monday, 19 December 2022**

Time: **4:30pm (AEDT)**

Venue: **Virtually** via registering at:

https://us02web.zoom.us/webinar/register/WN_BrDG7LTYTOe4YyC-kadzlg

The Explanatory Statement and Proxy Form, which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

BUSINESS

RESOLUTION 1: RATIFICATION OF THE ISSUE OF CONVERTIBLE NOTES AND THEIR UNDERLYING SECURITIES PURSUANT TO ASX LISTING RULE 7.4

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.4 and all of other purposes, the Company ratifies and approves the issue of 20,000,000 Convertible Notes (convertible into a maximum of 20,000,000 Shares), on the terms and conditions and in the manner set out in the Explanatory Memorandum."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 1, by Gleneagle Securities Nominees Pty Ltd, or an associate of that person, unless the vote is cast:

- 1) by 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
- 2) by 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
- 3) 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.

The Chairman intends to vote all available undirected proxies in favour of Resolution 1.

RESOLUTION 2: APPROVAL TO ISSUE CONVERTIBLE NOTES AND THEIR UNDERLYING SECURITIES PURSUANT TO ASX LISTING RULE 7.1

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of ASX Listing Rule 7.1 and all of other purposes, approval is given to issue 6,666,666 Convertible Notes (convertible into a maximum of 6,666,666 Shares) to Gleneagle Securities Nominees Pty Ltd, on the terms and conditions and in the manner set out in the Explanatory Memorandum."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 2, by Gleneagle Securities Nominees Pty Ltd or any 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 ordinary securities in the entity) unless the vote is cast:

- 1) by 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
- 2) by 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
- 3) 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.

The Chairman intends to vote all available undirected proxies in favour of Resolution 2.

OTHER BUSINESS

To consider any other business that may lawfully be brought forward in accordance with the Constitution of the Company or the law.

IMPORTANT INFORMATION

An Explanatory Memorandum accompanies and forms part of this notice of General Meeting.

All Shareholders should read the Explanatory Memorandum carefully and in its entirety. Shareholders who are in doubt regarding any part of the business of the Meeting should consult their financial or legal adviser for assistance.

Voting by proxy

Any Shareholder entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder. The proxy does not need to be a Shareholder of the Company and can be either an individual or a body corporate. A Shareholder can appoint a proxy by completing and returning a signed proxy form.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- (a) appoints an individual as its corporate representative to exercise its powers at the meeting, in accordance with section 250D of the *Corporations Act 2001* (Cth) (the **Corporations Act**); and
- (a) provide satisfactory evidence of the appointment of its corporate representative prior to commencement of the meeting.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the proxy form. If you do not direct your proxy on how to vote on a particular item of business, you are authorising your proxy to vote as they decide, subject to any applicable voting exclusions.

If your proxy does not attend the Meeting, the Chairman will become your proxy by default. The Chairman intends to vote in favour of all resolutions on the agenda.

If you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default, and you do not provide any voting directions on your proxy form, by completing and returning the proxy form, you will be expressly authorising the Chairman of the Meeting to cast your vote as he sees fit.

Proxy forms must be submitted **no later than 4:30 pm (AEDT) on Saturday, 17 December 2022** in one of the following ways:

- (a) by mail to the Company's share registry, Automic Registry Services, GPO Box 5193, Sydney NSW 2001
- (b) by fax to Automic Registry Services on +61 2 85833040

- (c) by email to meetings@automicgroup.com.au
- (d) online via <https://investor.automic.com.au/#/loginsah>
- (e) by hand delivery at Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

The proxy form has been enclosed. Please read all instructions carefully before completing the proxy form.

Attendance and Voting

The Company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to investor.automic.com.au
2. Login with your username and password or click “**register**” if you haven’t already created an account.
Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting.
3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on “**Register**” when this appears. Alternatively, click on “**Meetings**” on the left hand menu bar to access registration.
4. Click on “**Register**” and follow the steps.
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting
6. You can ask questions or make comments through the “**Q&A**” function during the webcast
7. Once the Chair of the Meeting has declared the poll open for voting click on “**Refresh**” to be taken to the voting screen.
8. Select your voting direction and click “**confirm**” to submit your vote. Note that you cannot amend your vote after it has been submitted

Entitlement to vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that for the purposes of the meeting, shares will be taken to be held by the persons who held them as registered Shareholders at 7.00pm (AEDT) on Saturday, 17 December 2022. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

Voting Intentions

Subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

In respect of all available undirected proxies, subject to any voting restrictions and exclusions, the Chairman intends to vote in favour of all resolutions on the agenda.

Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the General Meeting. Due to limitations of the available technology, relevant written questions must be submitted no later than 5:00pm (AEDT) on Saturday, 17 December 2022, via email to meetings-australia@acclime.com. A representative who has been designated by the management of the Company will either answer questions at the meeting or table written answers to them at the meeting. If written answers are tabled at the meeting, they will be made available to Shareholders as soon as practicable after the meeting.

By order of the Board



Mark Licciardo
Company Secretary
18 November 2022



(ACN 616 435 753)

Explanatory Memorandum

This Explanatory Memorandum has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

The Directors recommend that Shareholders read this Explanatory Memorandum before determining whether or not to support the resolutions.

INTRODUCTION - FOR ALL RESOLUTIONS

All of the resolutions proposed at the Meeting concern a fundraising announced by the Company on 4 November 2022.

The fundraising comprises a offer of secured convertible notes with a Face Value of A\$0.30 each of which convert into one Share (**Convertible Notes**) to raise \$8 million before costs (**Capital Raise**).

The Capital Raise will take place in two tranches:

- **Tranche 1:** 20,000,000 Convertible Notes (which convert into 20,000,000 Shares) were agreed to be issued to Gleneagle Nominees Pty Ltd, which are intended to be issued under the Company's 15% placement capacity under ASX Listing Rule 7.1.
- **Tranche 2:** an additional 6,666,666 Convertible Notes (which convert to 6,666,666 Shares) are subject to Shareholder approval which is being sought at this Meeting.

The investors in the Capital Raise are institutional and professional investors that are clients of Gleneagle Securities (Aust) Pty Ltd (**Gleneagle**), a boutique corporate advisory firm. Gleneagle will receive a commission of 4% of the funds raised under Tranche 1 and Tranche 2 of the Capital Raise. Sequoia Financial Group Limited (**Sequoia**) also participated in the Capital Raise and will receive a management fee of 1% of all funds raised under the Capital Raise and commission of 3% of funds raised by Sequoia.

The resolutions ask Shareholders to ratify the issue of securities in Tranche 1, and approve the issue of securities in Tranche 2.

RESOLUTION 1: RATIFICATION OF THE ISSUE OF CONVERTIBLE NOTES AND THEIR UNDERLYING SECURITIES PURSUANT TO ASX LISTING RULE 7.4

As part of the Capital Raise, Gleneagle subscribed for 20,000,000 Convertible Notes at an issue price of A\$0.30 each.

These Convertible Notes were agreed to be issued to Gleneagle on or about 30 November 2022.

The Convertible Notes convert into a total of 20,000,000 Shares (**Conversion Shares**).

The material terms of the Convertible Notes are summarised in Schedule 1.

The Company issued the Convertible Notes and provided for the issue of the Conversion Shares without prior Shareholder approval using its 15% placement capacity under Listing Rule 7.1.

The maximum number of Conversion Shares was within the Company's capacity under ASX Listing Rule 7.1 as at the date the Company issued the Convertible Notes.

The Convertible Notes were not placed to any Related Parties of the Company.

Listing Rules 7.1 and 7.4

Broadly speaking, and subject to exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Convertible Notes and the Conversion Shares do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval.

Listing Rule 7.4 allows shareholders of a listed company to approve an issue of securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and therefore does not reduce the company's capacity to issue further securities without shareholder approval. The Company wishes to retain flexibility to potentially issue further securities in the future.

Information required by Listing Rule 14.1A

If Resolution 1 is passed, the Convertible Notes and the Conversion Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Convertible Notes and the Conversion Shares.

If Resolution 1 is not passed, the Convertible Notes and the Conversion Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, decreasing the number of securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Convertible Notes and the Conversion Shares.

Information required under Listing Rule 7.5

Pursuant to Listing Rule 7.5, the following information is provided in respect of Resolution 1:

1. Name of the person/s to whom the Company issued the securities:

Noteholder: Gleneagle Securities Nominees Pty Ltd

The Noteholder is not:

- A related party of the Company;
- A member of the Company's Key Management Personnel;
- An advisor of the Company; or
- An associate of any of the above.

2. Number and class of securities issued:

20,000,000 Convertible Notes convertible into 20,000,000 Ordinary Shares

3. Material terms of the securities:

The Convertible Notes were issued on the terms as detailed in Schedule 1.

4. Date securities were issued:

20,000,000 Convertible Notes were agreed to be issued on or about 30 November 2022.

5. Purpose and use of funds:

Funds raised from the Capital Raise will strengthen Elsie's balance sheet and allow the Company to execute on growth initiatives. During 2022, Elsie signed a number of multi-year commercial agreements with various partners and while initial orders have been received, the Company is expecting multiple repeat orders under these agreements.

Funds raised will enable the Company to continue its growth strategy and fund additional capital expenditure to ensure it is able to satisfy the unmanned market demands while going towards mainstream commercial adaptation.

Funds raised will also be applied to general working capital requirements of the business as it continues to grow and scale.

6. Agreements:

The Convertible Notes were agreed to be issued on the terms as detailed in Schedule 1.

The Company agreed to issue the Convertible Notes under a subscription agreement in respect of the Capital Raise entered into with Gleneagle on 4 November 2022 (**Tranche 1 Subscription Agreement**) under which the Company agreed to issue Gleneagle 20,000,000 Convertible Notes at an issue price of A\$0.30 per Convertible Note (the terms of which are detailed in Schedule 1).

7. Voting Exclusion:

A voting exclusion statement is included in the notice of meeting

Board Recommendation

The Board recommends that Shareholders vote in FAVOUR of Resolution 1. The Chairman of the meeting intends to vote all available undirected proxies in FAVOUR of Resolution 1.

RESOLUTION 2: APPROVAL TO ISSUE CONVERTIBLE NOTES AND THEIR UNDERLYING SECURITIES PURSUANT TO ASX LISTING RULE 7.1

As part of Tranche 2 of the Capital Raise, the Company proposes to issue 6,666,666 Convertible Notes at an issue price of \$0.30 per Share to professional and institutional investor clients of Gleneagle, subject to Shareholder approval which is being sought at this Meeting.

Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the company's ordinary shares on issue at the start of that period. The issue does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 2 seeks the required Shareholder approval to the issue of 6,666,666 Convertible Notes to professional and institutional investor clients of Gleneagle under and for the purposes of Listing Rule 7.1.

Information required by Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of Convertible Notes under Tranche 2 and raise a further \$2 million via the Capital Raise (before costs) intended to be used for the purposes described below. In addition, the issue of these Tranche 2 Convertible Notes will be excluded from the calculation of the number of equity securities that the Company can issue without shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of Convertible Notes under Tranche 2 and will not receive the \$2 million in proceeds which would otherwise have been raised.

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to this Resolution:

1. Name of the person/s to whom the Company will issue the securities:

Noteholder: Gleneagle Securities Nominees Pty Ltd

None of whom are:

- A related party of the Company;
- A member of the Company's Key Management Personnel;
- An advisor of the Company; or
- An associate of any of the above.

8. Number and class of securities to be issued:

6,666,666 Convertible Notes convertible into 6,666,666 Ordinary Shares

9. Material terms of the securities:

The Convertible Notes are to be issued on the terms as detailed in Schedule 1.

10. Date securities are to be issued:

The Company intends to issue the Convertible Notes as soon as practicable following Shareholder approval. The Convertible Notes will be issued no later than 3 months after the date of the Meeting.

11. Price of securities to be issued:

Each Convertible Note has an issue price of A\$0.30 each.

12. Purpose and use of funds:

Funds raised from the Capital Raise will strengthen Elsie's balance sheet and allow the Company to execute on growth initiatives. During 2022, Elsie signed a number of multi-year commercial agreements with various partners and while initial orders have been received, the Company is expecting multiple repeat orders under these agreements.

Funds raised will enable the Company to continue its growth strategy and fund additional capital expenditure to ensure it is able to satisfy the unmanned market demands while going towards mainstream commercial adaptation.

Funds raised will also be applied to general working capital requirements of the business as it continues to grow and scale.

13. Agreements:

The Convertible Notes were agreed to be issued on the terms as detailed in Schedule 1.

The Company agreed to issue the Convertible Notes under a subscription agreement in respect of the Capital Raise entered into with Gleneagle dated 4 November 2022 (**Tranche 2 Subscription Agreement**) under which the Company agreed to issue Gleneagle 6,666,666 Convertible Notes at an issue price of A\$0.30 per Convertible Note (the terms of which are detailed in Schedule 1), subject to the approval of Shareholders which is being sought at this Meeting.

14. Voting Exclusion:

A voting exclusion statement is included in the notice of meeting

Board Recommendation

The Board recommends that Shareholders vote in FAVOUR of Resolution 2. The Chairman of the meeting intends to vote all available undirected proxies in FAVOUR of Resolution 2.

Glossary

In addition to capitalised terms defined in the body of this Notice:

\$ means Australian dollars.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires

ASX Listing Rules means the Listing Rules of the ASX

Board means the Board of Directors of the Company.

Chair means the chairperson of the Meeting

Company means Elsieht Limited.

Constitution means the Constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth)

Director means a Director of the Company.

Explanatory Memorandum means this Explanatory Memorandum which forms part of the Notice of Meeting.

Meeting means the General Meeting of the Company the subject of this Notice of Meeting scheduled to occur on Monday, 19 December 2022.

Shareholder means a holder of a Share.

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

Schedule 1:

Convertible Note Terms

Borrower:	Elsight Limited ACN 616 435 753 of 330 Collins Street, Melbourne VIC 3000
Guarantor(s)	All subsidiaries of the Borrower
Facility Type:	Senior Secured Convertible Notes
Investment:	A\$8,000,000
Lenders/Noteholders:	Wholesale and sophisticated investors only
Security	General Security Deed over all assets of the Borrower and its subsidiaries
Investor:	Gleneagle Securities (Aust) Pty Ltd ACN 136 930 526 (or a wholly owned subsidiary)
Compliance with ASX Listings Rules	To the extent the Borrower does not have sufficient Listing Rule 7.1 capacity to allow for the immediate issue of the maximum number of ordinary shares into which the Convertible Notes may convert, the Borrower will promptly seek shareholder approval under that Rule. Failure by the Borrower to procure shareholder approval within two months of the first issue of the Convertible Notes will constitute an Event of Default requiring immediate repayment of the Facility
Use of Proceeds:	The funds raised by the Company used to acquire additional inventory, to fund additional capital expenditure to seek to ensure that the Company is able to satisfy sale orders expected to be received over the next 24 months and for general working capital (including to pay the costs of the Offer) purposes
Term/Maturity:	24 months from the date of issue of the Convertible Notes
Interest Rate:	8% per annum capitalised (i.e. paid on redemption or conversion)
Interest Payment Date:	Interest is payable at the Interest Rate on the earlier of (i) the date a Convertible Note is converted into ordinary shares; (ii) the occurrence of an Event of Default; (iii) the date the Facility is repaid in full or (iv) the expiry of the Term
Interest Payment Option	At the sole election of each Noteholder, interest is payable by the Borrower either (i) in cash; or (ii) in fully paid ordinary shares in the Borrower issued at an issue price of \$0.30 per share
Face value of each Convertible Note:	\$0.30 per Convertible Note
Conversion at Noteholder's sole option	Noteholders may convert their Convertible Notes in parcels of not less than 100,000 at any time between the period commencing on the first anniversary of the date on which the Convertible Notes are issued and ending on Maturity by delivery of a Conversion Notice to the Borrower
Conversion Price	Subject to variation below, each Convertible Note converts into one fully paid ordinary share in the equity capital of the Borrower

Variation to Conversion Price	The Conversion Price will be adjusted for any restructuring or capital raisings by the Borrower in accordance with the ASX Listings Rules
Repayment:	Unless converted by a Noteholder prior, all Convertible Notes outstanding under the Facility must be repaid in full on Maturity (or the occurrence of an Event of Default, if earlier) together with any outstanding interest
Prepayment:	<p>Prepayment is permitted by the Borrower at any time with 30 days' notice to the Noteholders.</p> <p>At the sole election of each Noteholder, prepayment is payable by the Borrower either (i) in cash; or (ii) in fully paid ordinary shares in the Borrower issued at an issue price of \$0.30 per share.</p>
Arranger and Security Trustee Fees:	<p>4% of the Facility Limit, payable upfront out of the initial drawdown of the Facility</p> <p>In addition, Security Trustee to be indemnified for any costs incurred in enforcing the General Security Deed</p>
Convertible Note Facility Documents:	<ul style="list-style-type: none"> • Convertible Note Subscription Agreement; • Convertible Note Deed Poll; • General Security Agreement from the Borrower (which must be first ranking) over all assets; and • Security Trust Deed
Conditions Precedent to Initial Utilisation:	Standard conditions precedent for a facility of this type in form and substance satisfactory to the Arranger
Conditions Precedent to all Utilisations:	Standard for a Facility of this nature but to include evidence of purpose and no default
Representations & Warranties:	The Facility Documents will contain representations and warranties usual for a facility of this nature to be made by the Borrower on the date of execution of the Facility Documents, and repeated monthly
Undertakings:	The Facility Documents will contain undertakings usual for a facility of this nature
Information and reporting obligations:	<p>The Borrower must provide the Lender, among other things, the following information:</p> <ul style="list-style-type: none"> • annual consolidated accounts; • half yearly consolidated accounts; • certain events occurring such as default, breach of authorisation, litigation, compulsory acquisition of assets and, loss of or termination of authorisations.
Events of Default:	<p>The Facility Documents will contain events of default usual for a facility of this nature, including but not limited to:</p> <ul style="list-style-type: none"> • failure to obtain shareholder approval to the extent necessary to permit the issue of the required number of Convertible Notes in excess of the Borrower's Listing Rule 7.1 capacity within two months of the first issue of Convertible Notes • failure to pay any amount owing under the Facility within 2 Business Days after/on its due date; • failure to comply with any other obligation under the Facility

documentation within 10 Business Days of the earlier of notice of the breach being given to the Borrower and the Borrower becoming aware of the breach;

- breach of representation or warranty not cured within 10 Business Days of the earlier notice of the breach being given to the Borrower and an Obligor becoming aware of the breach;
- cross default;
- events of Insolvency;
- change of control;
- invalidity of documents;
- loss of material authorisations or licences; and
- material adverse effect.

Consequences of an Event of Default:

On and at any time after the occurrence of an Event of Default, all amounts outstanding under the Facility will become due and payable and the Arranger may exercise any other rights of the Noteholders under the Facility Documents (and in particular, the General Security Deed & Security Trust Deed)

Illegality, Increased Costs and Indemnities:

Customary illegality, increased cost and market disruption provisions to apply

Customary indemnity provisions to apply

Legal and Other Costs and Expenses:

For the Borrower's account, including legal costs on a full indemnity basis associated with negotiating and documenting the Facility and enforcing or considering enforcing its rights and all stamp and other duties, taxes (other than income tax) and statutory charges

Liquidity/Assignment:

The Notes will not be listed, however, the Noteholders will have the right to assign, transfer, novate, sub-participate or otherwise deal with the Notes or their rights and obligations under the Convertible Notes without the consent of the Borrower

The Borrower may not assign, transfer, or otherwise deal with its rights and obligations in connection with the Facility without the prior written consent of the Arranger

Governing Law:

New South Wales

Proxy Voting Form

If you are attending the virtual Meeting
please retain this Proxy Voting Form
for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **4.30pm (AEDT) on Saturday, 17 December 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

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+61 2 9698 5414 (Overseas)



AUTOMIC

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone Date (DD/MM/YY)

 /

 /

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

18 November 2022

Dear Shareholder

ELSIGHT LIMITED - GENERAL MEETING OF SHAREHOLDERS

Elsight Limited ACN 616 435 753 (ASX:ELS) (**Elsight or the Company**) advises that the Company will hold a General Meeting of its Shareholders (**Shareholders**) virtually at **4:30pm (AEDT)** on **Monday, 19 December 2022**.

The Company's Meeting will be held virtually via a live Zoom webinar. Further information on how to participate in the Meeting is provided in the Notice of Meeting (**Notice**) and on our website at <https://elsight.com/investor-relations/>.

To attend the virtual meeting, please pre-register in advance for the meeting here:

https://us02web.zoom.us/webinar/register/WN_BrDG7LTYTOe4YyC-kadzlg

After registering, you will receive a confirmation containing information on how to attend the virtual meeting.

The Company strongly encourages all Shareholders to vote either by directed proxy or direct voting prior to the Meeting. Voting forms for the Meeting should be lodged before 4:30pm (AEDT) on Saturday, 17 December 2022. A copy of your personalised voting form is enclosed.

Shareholders who wish to attend and participate in the virtual Meeting can do so via the online meeting platform, where Shareholders will be able to watch, listen, ask questions and vote online. Details on how to access the virtual Meeting are provided in the Notice. Shareholders can also submit, and are encouraged to submit, any questions in advance of the Meeting by emailing questions to meetings-australia@acclime.com by no later than 4:30pm (AEDT) on Saturday, 17 December 2022.

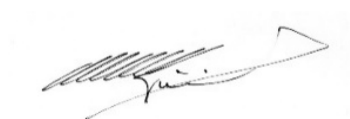
In accordance with section 253RA(2) of the Corporations Act 2001 (Cth), the Notice and accompanying Explanatory Memorandum and annexures are being made available to shareholders electronically under the 'ASX Announcements' section on the Company's website at <https://elsight.com/investor-relations/>.

The Notice and the accompanying Explanatory Memorandum should be read in its entirety. The Explanatory Memorandum contains important information about the matters to be considered at the Meeting to assist Shareholders to determine how to vote on the resolutions set out in the Notice.

Should you wish to discuss any of the matters detailed in this letter, the Notice or the Explanatory Memorandum, please contact the Company Secretary on +61 3 8689 9997 or via email at m.licciardo@acclime.com.

As a valued shareholder of the Company, we look forward to your participation in the Meeting.

Yours faithfully



Mark Licciardo
Company Secretary
Elsight Limited