

28 OCTOBER 2022

ASX ANNOUNCEMENT

ASX: EGR

Notice of Annual General Meeting

EcoGraf Limited (ACN 117 330 757) ("**EcoGraf**" or the "**Company**") (ASX: **EGR**) is pleased to advise that the following documents were sent to shareholders today in relation to the Annual General Meeting of the Company to be held on Tuesday, 29 November 2022 at 10:00 am (AWST):

1. Letter to Shareholders regarding the Notice of Meeting.
2. Notice of Meeting.
3. Proxy Form.

Shareholders are encouraged to actively participate in the Annual General Meeting, either in person or through submission of a proxy vote online or by form prior to the meeting in accordance with the instructions on the Proxy Form.

This announcement is authorised for release by Andrew Spinks, Managing Director.

For further information, please contact:

INVESTORS

Andrew Spinks
Managing Director
T: +61 8 6424 9002



28 October 2022

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

EcoGraf Limited (ACN 117 330 757) ("**EcoGraf**" or the "**Company**") (ASX: **EGR**) is convening its Annual General Meeting on Tuesday, 29 November 2022 at 10:00 am (AWST).

In accordance with section 110D of the *Corporations Act 2001* (Cth), the Company will not be sending hard copies of the Notice of Meeting to Shareholders unless they have made a valid election to receive documents by hard copy. The Notice of Meeting and Annual Report can be viewed and downloaded from the Company's website at https://www.ecograf.com.au/investor_categories/announcements/.

A copy of your personalised Proxy Form is enclosed for your convenience.

In order to receive shareholder communications by email and make elections as to receipt of documents from the Company in the future, please log on to the registry portal <http://investorcentre.linkmarketservices.com.au/> and select the 'Communication' tab at the top of the page.

Once logged in, you can also lodge your proxy vote online. **The Company strongly encourages Shareholders to lodge a directed proxy vote online or by form in accordance with the instructions on the Proxy Form prior to the meeting.** Your proxy vote must be received by 10:00 am (AWST) on Sunday, 27 November 2022 and any proxy vote received after that time will not be valid for the meeting.

The Notice of Meeting should be read in its entirety. If you are in doubt as to how you should vote, please seek advice from your professional advisers prior to voting. If you have any questions about the meeting and voting arrangements or have any difficulties obtaining the Notice of Meeting, please email the Company at info@ecograf.com.au.

Yours sincerely
EcoGraf Limited

Howard Rae
Chief Financial Officer and Joint Company Secretary



NOTICE OF ANNUAL GENERAL MEETING

ECOGRAF LIMITED
ACN 117 330 757

Notice is given that the Meeting will be held at:

TIME: 10:00 am (AWST)

DATE: Tuesday, 29 November 2022

PLACE: RSM Australia, Level 32, Exchange Tower, 2 The Esplanade, Perth WA 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you have any questions regarding the matters in this document please do not hesitate to contact the Company via email at info@ecograf.com.au.



BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JOHN CONIDI

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

“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, John Conidi, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

3. RESOLUTION 3 – EQUITY SETTLED SHORT-TERM INCENTIVE FOR THE YEAR ENDED 30 JUNE 2022 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – ANDREW SPINKS

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

“That, in accordance with the Incentive Performance Rights Plan approved by Shareholders on 25 November 2020, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 164,275 Performance Rights to Andrew Spinks (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and prohibition statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – EQUITY SETTLED LONG-TERM INCENTIVE – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – ANDREW SPINKS

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

“That, in accordance with the Incentive Performance Rights Plan approved by Shareholders on 25 November 2020, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 963,908 Performance Rights to Andrew Spinks (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and prohibition statement applies to this Resolution. Please see below.

5. RESOLUTION 5 – ISSUE OF NON-EXECUTIVE DIRECTOR EQUITY RIGHTS TO DIRECTOR – ROBERT PETT

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

“That, for the purposes of Listing Rule 10.11, section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 500,000 Performance Rights to Robert Pett (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

6. RESOLUTION 6 – ISSUE OF NON-EXECUTIVE DIRECTOR EQUITY RIGHTS TO DIRECTOR – JOHN CONIDI

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

“That, for the purposes of Listing Rule 10.11, section 195(4) and section 208 of the Corporations Act and for all other purposes, approval is given for the Company to issue 500,000 Performance Rights to John Conidi (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 28 October 2022

By order of the Board

Howard Rae
Chief Financial Officer and Joint Company Secretary

Voting Prohibition Statements

<p>Resolution 1 – Adoption of Remuneration Report</p>	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
<p>Resolution 3 – Equity Settled Short-Term Incentive For The Year Ended 30 June 2022 – Issue Of Performance Rights To Director – Andrew Spinks</p> <p>Resolution 4 – Equity Settled Long-Term Incentive – Issue Of Performance Rights To Director – Andrew Spinks</p>	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:</p> <ul style="list-style-type: none">(a) the proxy is either:<ul style="list-style-type: none">(i) a member of the Key Management Personnel; or(ii) a Closely Related Party of such a member; and(b) the appointment does not specify the way the proxy is to vote on these Resolutions. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none">(a) the proxy is the Chair; and(b) the appointment expressly authorises the Chair to exercise the proxy even though these Resolutions are connected directly or indirectly with remuneration of a member of the Key Management Personnel.
<p>Resolution 5 – Issue of Non-Executive Director Equity Rights to Director – Robert Pett</p> <p>Resolution 6 – Issue of Non-Executive Director Equity Rights to Director – John Conidi</p>	<p>In accordance with section 224 of the Corporations Act, a vote on these Resolutions must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the relevant Resolution would permit a financial benefit to be given, or an associate of such a related party (Resolutions 5 - 6 Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the relevant Resolution and it is not cast on behalf of a Resolutions 5 -6 Excluded Party.</p> <p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:</p> <ul style="list-style-type: none">(a) the proxy is either:<ul style="list-style-type: none">(i) a member of the Key Management Personnel; or(ii) a Closely Related Party of such a member; and(b) the appointment does not specify the way the proxy is to vote on these Resolutions. <p>Provided the Chair is not a Resolution 5 - 6 Excluded Party, the above prohibition does not apply if:</p> <ul style="list-style-type: none">(a) the proxy is the Chair; and(b) the appointment expressly authorises the Chair to exercise the proxy even though these Resolutions are connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the persons named in the table below.

Resolution 3 – Equity Settled Short-Term Incentive for the year ended 30 June 2022 – Issue of Performance Rights to Director – Andrew Spinks	Mr Andrew Spinks (or his nominee) and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons.
Resolution 4 – Equity Settled Long-Term Incentive – Issue of Performance Rights to Director – Andrew Spinks	Mr Andrew Spinks (or his nominee) and any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question or an associate of that person or those persons.
Resolution 5 – Issue of Non-Executive Director Equity Rights to Director – Robert Pett	Mr Robert Pett (or his nominee) 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 entity) or any associate of that person or those persons.
Resolution 6 – Issue of Non-Executive Director Equity Rights to Director – John Conidi	Mr John Conidi (or his nominee) 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 entity) or any associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (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 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 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.

Voting entitlements

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 am (AWST) on Sunday, 27 November 2022.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.



Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

The Company strongly encourages all Shareholders to lodge a directed proxy vote online or in accordance with the instructions on the Proxy Form. Proxy appointments must be received by no later than 10:00 am (AWST) on Sunday, 27 November 2022.

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from Link Market Services will need to verify your identity. You can register from 9:30 am (AWST) on the day of the Meeting.

Questions

Shareholders are encouraged to submit questions in respect of the items of business as well as general questions in respect of the Company and its operations in advance of the Meeting by email to the Company at info@ecograf.com.au.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company via email at info@ecograf.com.au.

EXPLANATORY STATEMENT

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

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.ecograf.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

1.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this annual general meeting.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JOHN CONIDI

2.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

John Conidi, who has served as a Non-Executive Director since 4 May 2015 and was last re-elected on 25 November 2020, retires by rotation and seeks re-election.

2.2 Qualifications and other material directorships

John Conidi is a Certified Practising Accountant. He has over 20 years' experience developing, acquiring and managing businesses in the technology and healthcare sectors. In his role as Managing Director of Capitol Health Limited, he drove its sustained expansion, increasing its market capitalisation, significantly.

John has extensive interests in the graphite sector. He is an experienced investor specialising in technology and resources and is the Chairman of 333D Limited, that with EcoGraf, jointly owns 3D Graphtech Industries Pty Ltd.

2.3 Independence

If re-elected the Board considers Mr Conidi will be an independent Director.

2.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, John Conidi will be re-elected to the Board as an independent Director.

In the event that Resolution 2 is not passed, John Conidi will not join the Board as an independent Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

2.5 Board recommendation

The Board has reviewed Mr Conidi's performance since his appointment to the Board and considers that Mr Conidi's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Conidi and recommends that Shareholders vote in favour of Resolution 2.

3. RESOLUTIONS 3 AND 4 – EQUITY SETTLED SHORT AND LONG-TERM INCENTIVES – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – ANDREW SPINKS

3.1 General

In accordance with the Incentive Performance Rights Plan approved by Shareholders at the annual general meeting held on 25 November 2020, the Company is seeking Shareholder approval pursuant to Listing Rule 10.14 to grant 164,275 Performance Rights as an equity-settled short-term incentive for the financial year ended 30 June 2022 (**FY22**) and 963,908 Performance Rights as an equity-settled long-term incentive to Mr Andrew Spinks, Managing Director (or his nominee) on the terms and conditions of the Incentive Performance Rights Plan and as set out below.

Director	Resolution	Incentive	Number of Performance Rights
Andrew Spinks	Resolution 3	Short-term	164,275
Andrew Spinks	Resolution 4	Long-term	963,908

The objective of the Incentive Performance Rights Plan is to assist the Company with the recruitment, reward, retention and incentivisation of key personnel who possess the necessary skills and experience to enable the Company to effectively develop its graphite businesses and to grow long-term shareholder value.

The Company is at a critical stage of growth as it advances the new EcoGraf™ Battery Anode Material Facility and the Epanko Graphite Mine to development and operations. The international graphite industry is evolving rapidly to support the use of graphite in lithium-ion batteries for electric vehicles and the retention of specialised skills is essential to the Company's future success.

To achieve this outcome, the Company believes that rewarding performance through equity arrangements is the most effective remuneration structure because it preserves the Company's cash resources and aligns the interests of personnel with those of all shareholders. The equity-based structure includes short-term and long-term incentive components.

3.2 Short-term incentive (STI) arrangements

Under the STI arrangements, eligible participants can earn Performance Rights for the achievement of key performance measures each year. The amount, if any, of STI awarded is determined after the end of each year, by assessing the individual's performance against applicable key measures and then applying the resulting percentage score to the STI remuneration opportunity.

For example, an individual with a fixed annual remuneration of \$350,000, an STI opportunity of 40% and an annual performance score of 75% will be entitled to an STI award of \$105,000 = \$350,000 X 40% x 75%.

The STI award is settled through the grant of Performance Rights, with the number determined by dividing the award amount by the volume weighted average price of the Company's shares during the applicable financial year. This approach ensures that the equity settled STI value reflects the price of the Company's shares over the entire period during which the STI is earned by the participant.

Subject to exercise, each Performance Right will entitle the eligible participant to receive one ordinary share in the Company.

The grant of Performance Rights for the STI award, if any, occurs after the end of the financial year.

Equity settled STI for the year ended 30 June 2022

As the Company's battery minerals mining, processing and recycling businesses are in the development phase, the Board considers it appropriate to measure the short-term performance of Mr Spinks, Managing Director during the year ended 30 June 2022 through the achievement of outcomes across four key areas as outlined in the following table:

KPI category	Weighting	KPI areas of assessment
Business development	30%	Effective advancement of the Company's graphite businesses towards construction and operations, including completion of studies, early works programs, entering into contractual arrangements with constructors, operators, suppliers and customers, securing support from financiers and obtaining positive Government cooperation.
Financial management	20%	Delivery against annual financial budgets, including effective cost control whilst achieving business objectives, accessing working capital on a timely and cost-effective basis and protecting the Company from financial loss.
Organisational development	20%	Building organisational capacity and resilience, through effective human resource management, establishing appropriate operating structures to support planned expansion, developing a positive corporate reputation with stakeholders and overcoming adverse external impacts on the business.
Innovation and continuous improvement	30%	Driving on-going progress in process and product development, leveraging partnerships with Government and commercial organisations to explore new technologies and markets that will add value and identifying opportunities to continuously enhance and grow the business.

For the year ended 30 June 2022, the STI opportunity for Mr Spinks, Managing Director was \$142,350, being 40% of his fixed annual remuneration.

After conducting a review of Mr Spinks' performance for the year ended 30 June 2022, he received a performance score of 75% of his STI opportunity, resulting in an STI award amount of \$106,762.

The STI award of \$106,762 is to be equity-settled through the issue of Performance Rights, calculated by reference to the volume weighted average market price (**VWAP**) of Shares traded on ASX during the year ended 30 June 2022, being \$0.6499. This equates to 164,275 Performance Rights as summarised below:

Director	Resolution	Value of STI	Number of Performance Rights
Andrew Spinks	Resolution 3	\$106,762	164,275

The Performance Rights will vest with Mr Spinks upon grant and are subject to restrictions on disposal, breach of which will result in the Performance Rights immediately lapsing.

A summary of the material terms of the Performance Rights is set out in Schedule 2.

3.3 Long-term incentive (LTI) arrangements

The long-term incentive arrangements involve the offer of Performance Rights to eligible participants which are subject to pre-determined performance conditions that are required to be achieved prior to vesting.

The performance conditions have been set to promote achievement of the Company's key strategic objectives, over the long term, with a target rolling performance period of 3-5 years. Subject to the achievement of the specified performance conditions, upon exercise each Performance Right will entitle the eligible participant to receive one ordinary share in the Company.

Equity settled long-term incentive

As the Company's battery minerals mining, processing and recycling businesses are in the development phase, the Board considers it appropriate to measure the long-term performance of Mr Spinks, Managing Director across a combination of key project milestones and growth of shareholder value as outlined in the following table:

Class of Performance Right	Weighting	Vesting Conditions
Class A	20%	Commissioning of the Company's battery anode material product qualification facility.
Class B	20%	Commencement of construction of the Company's: (a) Epanko Graphite Project; or (b) commercial scale Battery Anode Material Facility.
Class C	30%	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.60.
Class D	30%	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.80.

The LTI opportunity for Mr Spinks, Managing Director is \$355,875, being 100% of his fixed annual remuneration and is set by reference to the practices adopted by similar companies.

The LTI opportunity of \$355,875 is to be equity-settled through the issue of Performance Rights, calculated by reference to the 20-day VWAP of Shares

traded up to and including 30 September 2022, being \$0.3692. This equates to 963,908 Performance Rights as summarised below:

Director	Resolution	Value of STI	Number of Performance Rights
Andrew Spinks	Resolution 4	\$355,875	963,908

The Performance Rights will vest with Mr Spinks upon achievement of the milestones set out in the table above. A summary of the material terms and conditions of the Performance Rights is set out in Schedule 3.

3.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights constitutes giving a financial benefit and Mr Spinks is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Spinks who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of Performance Rights the subject of Resolution 3 was reached as part of the annual remuneration package for the year ended 30 June 2022 for Mr Spinks, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Mr Spinks who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required because the issue of Performance Rights the subject of Resolution 4 was reached as part of the long-term incentive arrangements for Mr Spinks, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

3.5 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to Mr Spinks falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 3 and 4 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

3.6 Technical information required by Listing Rule 14.1A

If Resolutions 3 and 4 are passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Spinks under the Incentive Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 3 and 4 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Spinks under the Incentive Performance Rights Plan and Mr Spinks will instead receive a cash payment equivalent in value to the short-term or long-term incentive that would have been granted had shareholder approval been obtained.

3.7 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 3 and 4:

- (a) the Performance Rights will be issued to Andrew Spinks (or his nominee) pursuant to Resolutions 3 and 4 who falls within the category set out in Listing Rule 10.14.1, by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to Mr Spinks is 1,128,183 comprising:
 - (i) 164,275 Performance Rights to Mr Spinks as an equity settled STI award for the year ended 30 June 2022 pursuant to Resolution 3; and
 - (ii) 963,908 Performance Rights to Mr Spinks as an equity settled long-term incentive pursuant to Resolution 4 as follows:

Director	Number of Class A Performance Rights	Number of Class B Performance Rights	Number of Class C Performance Rights	Number of Class D Performance Rights	Total Number of Performance Rights
Andrew Spinks	192,782	192,782	289,172	289,172	963,908

- (c) the total remuneration package for Mr Spinks for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Director	Current Financial Year Ending 30 June 2023		Previous Financial Year Ended 30 June 2022	
	Salary and super	Share-based payments	Salary and super	Share-based payments
Andrew Spinks	\$355,875	\$343,957 ^{1,2}	\$356,592 ³	\$213,349 ⁴

Notes:

1. Comprising:

- a. Market value as at 12 October 2022 of the equity settled STI of \$106,762 earned for the year ended 30 June 2022 proposed to be issued under Resolution 3 in accordance with Section 3.2 above; and
- b. Fair value of the equity settled long-term incentive of \$355,875 proposed to be issued under Resolution 4 in accordance with Section 3.3 above.

Details of the valuations of the Performance Rights, including the assumptions, are set out in Section 3.7(g) below.

2. Subject to performance against key performance measures, Mr Spinks may be entitled to earn an STI for the year ending 30 June 2023 in accordance with Section 3.2 above, in the form of Performance Rights of an amount equal to a maximum of 40% of his fixed annual remuneration, although there is no certainty that any STI will be awarded to Mr Spinks.
3. Long service leave expense of \$6,488 was also accrued for the year ended 30 June 2022.
4. Comprising 320,825 Performance Rights issued as an STI award for the year ended 30 June 2021, which was granted on 8 December 2021 and approved by shareholders on 26 November 2021.

(d) under the Incentive Performance Rights Plan, a total of 2,095,825 Performance Rights have been previously issued to Mr Andrew Spinks.

(e) a summary of the material terms and conditions of:

- (i) the Performance Rights to be issued as an STI pursuant to Resolution 3 are set out in Schedule 2; and
- (ii) the Performance Rights to be issued as a long-term incentive pursuant Resolution 4 are set out in Schedule 3;

(f) the Performance Rights are unquoted Performance Rights. The Company has chosen to offer Performance Rights to Mr Spinks because:

- (i) the issue of Performance Rights assists the Company with the reward, retention and incentivisation of Mr Spinks, who possesses the necessary skills and experience to enable the Company to effectively develop its graphite businesses and to grow long-term shareholder value;
- (ii) the Company is at a critical stage of growth as it advances the EcoGraf™ Battery Anode Material Facility and the Epanko Graphite Project to development and operations, with the international graphite industry evolving rapidly to support the use of graphite in lithium-ion batteries for electric vehicles and the retention of specialised skills is essential to the Company's future success;
- (iii) the Company believes that rewarding performance through equity arrangements is the most effective remuneration structure because it preserves the Company's cash resources and aligns the interests of Mr Spinks with those of all shareholders;
- (iv) the use of Performance Rights is typically less dilutionary than Options and because the Performance Rights are unlisted, there is no dilutionary impact on Shareholders until, if and when the vesting conditions are achieved, in which case all Shareholders

will share in the benefits resulting from the Company achieving its strategic business objectives; and

- (v) the issue of the Performance Rights enables the Company to provide cost-effective incentive remuneration to Mr Spinks that is consistent with equity remuneration arrangements offered by similar listed companies at the same stage of development.
- (g) the value of the Performance Rights is set out below:
- (i) the face value of each Performance Right is 32 cents based on the market price of the Company's Shares as at 12 October 2022 and therefore the value attributed to the 164,275 Performance Rights to be granted to Mr Spinks as an equity settled STI award for the year ended 30 June 2022 pursuant to Resolution 3 is \$52,568; and
- (ii) a Black Scholes Model has been used to value the Class A and B Performance Rights and a barrier up and in trinomial pricing model with a Parisian barrier adjustment has been used to value the Class C and Class D Performance Rights to Mr Spinks as an equity settled long-term incentive pursuant to Resolution 4, with the following assumptions as at 12 October 2022:

Item	Performance Rights			
	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Class D Performance Rights
Underlying security spot price	\$0.32	\$0.32	\$0.32	\$0.32
Exercise price	Nil	Nil	Nil	Nil
Commencement of performance period	12 Oct 2022	12 Oct 2022	12 Oct 2022	12 Oct 2022
Expiry date	12 Oct 2027	12 Oct 2027	12 Oct 2027	12 Oct 2027
Life (years)	5	5	5	5
VWAP barrier	N/A	N/A	\$0.60	\$0.90
Volatility	100%	100%	100%	100%
Risk-free rate	3.625%	3.625%	3.625%	3.625%
Dividend yield	Nil	Nil	Nil	Nil
Valuation per right	\$0.320	\$0.320	\$0.296	\$0.285

Based on the above, the total fair value of the long-term incentive Performance Rights as of 12 October 2022 is as follows:

Director	Fair Value				Total Fair Value of Performance Rights
	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Class D Performance Rights	
Andrew Spinks (Resolution 4)	\$61,690	\$61,690	\$85,595	\$82,414	\$291,389

- (h) the Performance Rights will be issued to Mr Spinks (or his nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on a single date;
- (i) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;
- (j) a summary of the material terms and conditions of the Incentive Performance Rights Plan is set out in Schedule 1;
- (k) no loan is being made to Mr Spinks in connection with the acquisition of the Performance Rights;
- (l) details of any Performance Rights issued under the Incentive Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Incentive Performance Rights Plan after Resolutions 3 and 4 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

4. RESOLUTIONS 5 AND 6 – ISSUE OF NON-EXECUTIVE DIRECTOR EQUITY RIGHTS TO DIRECTORS – MESSRS ROBERT PETT AND JOHN CONIDI

4.1 General

The Company is seeking shareholder approval pursuant to Listing Rule 10.11 to grant a total of 1,000,000 Performance Rights to Non-Executive Directors, Messrs Robert Pett or John Conidi (or their nominees) (**Related Parties**), on the terms and conditions set out below.

Related Party	Position	Resolution	Number of Performance Rights
Robert Pett	Non-Executive Chairman	Resolution 5	500,000
John Conidi	Non-Executive Director	Resolution 6	500,000

As the non-interested Director, Mr Andrew Spinks acknowledges that the grant of Performance Rights to the Non-Executive Directors is contrary to Recommendation 8.2 of the Corporate Governance Principles and Recommendations (Fourth Edition) as published by the ASX Corporate Governance Council. However, Mr Spinks considers the grant of Performance

Rights to be reasonable in the circumstances given the Company's stage of development and for the reasons set out in Sections 4.5 (f) and (g).

Mr Spinks recommends that Shareholders vote in favour of Resolutions 5 to 6 for the reasons set out in Sections 4.5 (f) and (g). In forming his recommendation, Mr Spinks considered the experience of the Related Parties, the current market price of Shares, the current market standards and practices when determining the number of Performance Rights to be issued to each of the Related Parties, as well as the milestones and expiry date of those Performance Rights.

Each Director (other than Mr Spinks) has a material personal interest in the outcome of Resolutions 5 to 6 on the basis that the Directors (other than Mr Spinks) (or their nominees) are to be issued Performance Rights on the same terms and conditions should Resolutions 5 to 6 be passed. For this reason, the Directors (other than Mr Spinks) do not believe that it is appropriate to make a recommendation on Resolutions 5 to 6 of this Notice.

Considering the higher risk associated with the pre-production stage of the Company's activities and the need to attract and retain specialist director skills and experience to guide it through project implementation and into successful operations, the Board considers it appropriate to continue to provide a component of equity-based remuneration to non-executive directors and to align vesting conditions of the Performance Rights with shareholder interests, as outlined in the following table:

Class of Performance Right	Weighting	Vesting Conditions
Class C	30%	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.60.
Class D	30%	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.80.
Class E	40%	The 20-day VWAP of the Company's Shares being equal to or greater than \$1.00.

The Performance Rights will vest upon achievement of the milestones set out in the table above. A summary of the material terms and conditions of the Performance Rights is set out in Schedule 4.

4.2 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (c) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (d) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Performance Rights constitutes giving a financial benefit and each of Messrs Pett and Conidi is a related party of the Company by virtue of being a Director.

As the Performance Rights are proposed to be issued to two of the three Directors, the remaining Director is unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Performance Rights. Accordingly, Shareholder approval for the issue of Performance Rights to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

4.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and has nominated a director to the board of the company pursuant to a relevant agreement that gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rule 10.11.1 to 10.11.3;
or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Performance Rights to each of Messrs Pett and Conidi falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 and 6 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.11.

4.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Performance Rights to Messrs Pett and Conidi within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 and 6 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Messrs Pett and Conidi (or their nominees).

4.5 Technical information required by Listing Rule 10.13 and section 219 of the Corporations Act

Pursuant to and in accordance with the requirements of Listing Rule 10.13 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 5 and 6:

(a) the Performance Rights will be issued to the Related Parties as follows:

- (i) Robert Pett (or his nominee) pursuant to Resolution 5; and
- (ii) John Conidi (or his nominee) pursuant to Resolution 6,

each of whom falls within the category set out in Listing Rule 10.11.1, by virtue of being a Director;

(b) the maximum number of Performance Rights to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 1,000,000 as follows:

Related Party	Resolution	Number of Class C Performance Rights	Number of Class D Performance Rights	Number of Class E Performance Rights	Total Number of Performance Rights
Robert Pett	Resolution 5	150,000	150,000	200,000	500,000
John Conidi	Resolution 6	150,000	150,000	200,000	500,000
Total		300,000	300,000	400,000	1,000,000

(c) a summary of the material terms and conditions of the Performance Rights is set out in Schedule 4;

(d) the Performance Rights will be issued to the Related Parties (or their nominees) no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on a single date;

(e) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of Performance Rights;

(f) the primary purpose of the issue of the Performance Rights to the Related Parties (or their nominees) is to:

- (i) provide a non-cash, effective and efficient method of remunerating the Related Parties for their commitment and contribution to the Company; and
- (ii) align the interests of the Related Parties with the interests of Shareholders.

The Company does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed;

- (g) the Company has agreed to issue the Performance Rights to the Related Parties for the following reasons:
- (i) the incentives represented by the grant of the Performance Rights are a cost effective and efficient reward and incentive, as opposed to alternative forms of incentive, such as the payment of cash compensation; and
 - (ii) it is also not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights upon the terms proposed;
- (h) the number of Performance Rights to be issued to each of the Related Parties has been determined based upon a consideration of:
- (i) current market practices of other ASX listed companies of a similar size and stage of development to the Company;
 - (ii) the remuneration of the Related Parties; and
 - (iii) incentives to attract and ensure continuity of service of the Related Parties who have appropriate knowledge and expertise, while maintaining the Company's cash reserves.
- (i) a barrier up and in trinomial pricing model with a Parisian barrier adjustment has been used to value the Performance Rights, with the following assumptions as at 12 October 2022:

Item	Performance Rights		
	Class C Performance Rights	Class D Performance Rights	Class E Performance Rights
Underlying security spot price	\$0.32	\$0.32	\$0.32
Exercise price	Nil	Nil	Nil
Commencement of performance period	12 Oct 2022	12 Oct 2022	12 Oct 2022
Expiry date	12 Oct 2027	12 Oct 2027	12 Oct 2027
Life (years)	5	5	5
VWAP barrier	\$0.60	\$0.80	\$1.00
Volatility	100%	100%	100%
Risk-free rate	3.625%	3.625%	3.625%
Dividend yield	Nil	Nil	Nil
Valuation per right	\$0.296	\$0.285	\$0.275

Based on the above, the total fair value of the Performance Rights as of 12 October 2022 is as follows:

Related Party	Fair Value			Total Fair Value of Performance Rights
	Class C Performance Rights	Class D Performance Rights	Class E Performance Rights	
Robert Pett (Resolution 5)	\$44,400	\$42,750	\$55,000	\$142,150
John Conidi (Resolution 6)	\$44,400	\$42,750	\$55,000	\$142,150

- (j) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

Related Party	Current Financial Year Ending 30 June 2023		Previous Financial Year Ended 30 June 2022	
	Salary/Fees and super	Share-based payment ¹	Salary/Fees and super	Share-based payment
Robert Pett (Resolution 5)	\$110,000	\$142,150	\$110,000	-
John Conidi (Resolution 6)	\$80,000	\$142,150	\$80,000	-

Note:

1. Assumes Resolutions 5 and 6 are passed and the Performance Rights are issued to the Related Parties. Details of the independent valuation of the Performance Rights, including the assumptions are set out in Section 4.6(g) above.

- (k) the relevant interests of the Related Parties in the securities of the Company as at the date of this Notice are set out below:

Related Party	Shares	Performance Rights
Robert Pett	3,454,615	1,250,000
John Conidi	3,019,401	1,250,000

After issue of Performance Rights to Related Parties:

Related Party	Shares	Performance Rights
Robert Pett	3,454,615	1,750,000
John Conidi	3,019,401	1,750,000

- (l) if the vesting conditions attaching to the Performance Rights issued to the Related Parties are met and the Performance Rights are converted, a total of 1,000,000 Shares would be issued. This would increase the number of Shares on issue from 450,333,459 (being the total number of Shares on issue as at the date of this Notice) to 451,333,459 (assuming that no other Shares are issued and no convertible securities vest or are exercised) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 0.22%, comprising 0.11% by Mr Pett and 0.11% by Mr Conidi;
- (m) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:



	Price	Date
Highest	\$0.86	26 November 2021
Lowest	\$0.22	24 June 2022
Last	\$0.32	12 October 2022

- (n) the Performance Rights are not being issued under an agreement with the Related Parties;
- (o) the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 5 and 6; and
- (p) a voting exclusion statement is included in Resolutions 5 and 6 of the Notice.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

AWST means Western Standard Time as observed in Perth, Western Australia.

Board means the current board of directors of the Company.

Business Day 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.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) 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;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means EcoGraf Limited (ACN 117 330 757).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or



indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Incentive Performance Rights Plan means the incentive performance rights plan summarised in Schedule 1.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2022.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

VWAP means the volume weighted average price.

SCHEDULE 1 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS PLAN

The material terms and conditions of the Incentive Performance Rights Plan (**Incentive Performance Rights Plan**) are summarised below:

- (a) **Eligibility:** Participants in the Incentive Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company or any associated body corporate (as defined in the Incentive Performance Rights Plan) of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Incentive Performance Rights Plan (**Eligible Participant**).

- (b) **Offer:** The Board may, from time to time, at its absolute discretion, make a written offer to any Eligible Participant to apply for Performance Rights, upon the terms set out in the Incentive Performance Rights Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Consideration:** Performance Rights granted under the Incentive Performance Rights Plan will be issued for nil cash consideration.
- (e) **Vesting conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right (**Vesting Conditions**).
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a **Participant** (being an Eligible Participant to whom Performance Rights have been granted under the Incentive Performance Rights Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) special circumstances arising in relation to an Eligible Participant in respect of those Performance Rights, being:



- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total and permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
- (B) a Relevant Person suffering severe financial hardship;
- (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or

- (ii) a change of control occurring; or
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

(g) Cash Equivalent Value Facility

- (i) Subject to the Corporations Act, the Listing Rules, the Incentive Performance Rights Plan and the terms of any offer, where all Vesting Conditions in respect of a Performance Right have been satisfied or waived, the Board may, in its absolute discretion, within 10 Business Days of receipt of a valid notice of exercise for a vested Performance Right, in lieu of issuing or transferring a Share to the Participant on exercise of the Performance Right, pay the Participant or his or her personal representative (as the case may be) a Cash Equivalent Value for the Performance Right exercised.
- (ii) A vested Performance Right automatically lapses upon payment of a Cash Equivalent Value in respect of the vested Performance Right.

(h) Lapse of a Performance Right: A Performance Right will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring;
- (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iii) in respect of an unvested Performance Right only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its

- discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iv) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Rights granted in respect of that Relevant Person are not exercised within three (3) months (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to evidence of fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) in respect of an unvested Performance Right, the Company undergoes a change of control or a winding up resolution or order is made, and the Performance Right does not vest; and
 - (vii) the expiry date of the Performance Rights.
- (i) **Not transferrable:** A Performance Right is not transferrable unless Special Circumstances (as defined in the Performance Rights Plan) apply and with the prior written consent of the Board (which may be withheld in its absolute discretion), or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
 - (j) **Shares:** Shares resulting from the vesting of the Performance Rights shall, subject to any sale restrictions (refer to paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
 - (k) **Sale restrictions:** the offer of Performance Rights may specify that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (**Restriction Period**). The Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
 - (l) **Quotation of Shares:** If Shares of the same class as those issued under the Incentive Performance Rights Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends. The Company will not apply for quotation of any Performance Rights on the ASX.
 - (m) **Deferral of conversion if resulting in a prohibited acquisition of Shares:** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the Corporations Act (**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.
 - (n) **No participation rights:** There are no participation rights or entitlements inherent in the Performance Rights and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
 - (o) **No change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.

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- (p) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (q) **Amendments:** Subject to express restrictions set out in the Incentive Performance Rights Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Incentive Performance Rights Plan, or the terms or conditions of any Performance Rights granted under the Incentive Performance Rights Plan including giving any amendment retrospective effect.

SCHEDULE 2 – TERMS AND CONDITIONS OF SHORT-TERM INCENTIVE PERFORMANCE RIGHTS

A summary of the terms and conditions of the short-term incentive Performance Rights that are proposed to be issued to Mr Spinks for the year ended 30 June 2022 is set out below:

- (a) **Vesting:** The Performance Rights will vest upon grant and are subject to restrictions on disposal, breach of which will result in the Performance Rights immediately lapsing.
- (b) **Conversion:** The holder may exercise each vested Performance Right into one Share.
- (c) **Expiry Date:** Each Performance Right shall expire five (5) years after the date of issue.
- (d) **Application to ASX:** The Performance Rights will not be quoted on the ASX. The Company must apply for the official quotation of the Shares issued on conversion of the Performance Rights within the time period required by the Listing Rules.
- (e) **Reorganisation of capital:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable Listing Rules and the Corporations Act at the time of reorganisation.
- (f) **Dividend and voting rights:** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (g) **Change in control:** Subject to deferral of conversion if such conversion would result in a contravention of section 606(1) of the Corporations Act, 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; or
 - (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 company or companies; or
 - (iii) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,any Vesting Condition (unless an Offer provides otherwise) is deemed to be automatically waived.
- (h) **Plan:** The terms of the Performance Rights are supplemented by and are otherwise on the terms of the Company's Incentive Performance Rights Plan (summarised in Schedule 1).

SCHEDULE 3 – TERMS AND CONDITIONS OF LONG-TERM INCENTIVE PERFORMANCE RIGHTS

A summary of the terms and conditions of the long-term incentive Performance Rights that are proposed to be issued to Mr Spinks is set out below:

- (a) **Vesting Conditions:** The vesting conditions attaching to the Performance Rights are as follows:

Class of Performance Right	Vesting Conditions
Class A	Commissioning of the Company's battery anode material product qualification facility.
Class B	Commencement of construction of the Company's: <ul style="list-style-type: none"> (a) Epanko Graphite Project; or (b) commercial scale Battery Anode Material Facility.
Class C	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.60.
Class D	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.80.

Vesting Deadline: The Vesting Conditions must be satisfied by no later than 1 month prior to the Expiry Date of the Performance Rights.

If the relevant Vesting Condition has not been achieved by the Vesting Deadline, then the Performance Rights will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event the relevant Vesting Condition is met before the relevant Vesting Deadline and the Shares the subject of a conversion are deferred in accordance with paragraph 1.1(m) below or any other regulatory requirement.

- (b) **Notification to holder:** The Company shall notify the holder in writing when the Vesting Condition has been satisfied.
- (c) **Conversion:** The holder may exercise each vested Performance Right into one Share.
- (d) **Expire Date:** Each Performance Right shall expire five (5) years after the date of issue.
- (e) **Application to ASX:** The Performance Rights will not be quoted on the ASX. The Company must apply for the official quotation of the Shares issued on conversion of the Performance Rights within the time period required by the Listing Rules.
- (f) **Reorganisation of capital:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable Listing Rules and the Corporations Act at the time of reorganisation.
- (g) **Dividend and voting rights:** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (h) **Change in control:** Subject to deferral of conversion if such conversion would result in a contravention of section 606(1) of the Corporations Act, 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; or
 - (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 company or companies; or
 - (iii) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

the Vesting Condition (unless an Offer provides otherwise) is deemed to be automatically waived.

- (i) **Plan:** The terms of the Performance Rights are supplemented by and are otherwise on the terms of the Company's Incentive Performance Rights Plan (summarised in Schedule 1).

SCHEDULE 4 – TERMS AND CONDITIONS OF NON-EXECUTIVE DIRECTOR EQUITY RIGHTS

A summary of the terms and conditions of the Performance Rights that are proposed to be issued to Messrs Pett and Conidi is set out below:

- (a) **Vesting Conditions:** The vesting conditions attaching to the Performance Rights are as follows:

Class of Performance Right	Vesting Conditions
Class C	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.60.
Class D	The 20-day VWAP of the Company's Shares being equal to or greater than \$0.80.
Class E	The 20-day VWAP of the Company's Shares being equal to or greater than \$1.00.

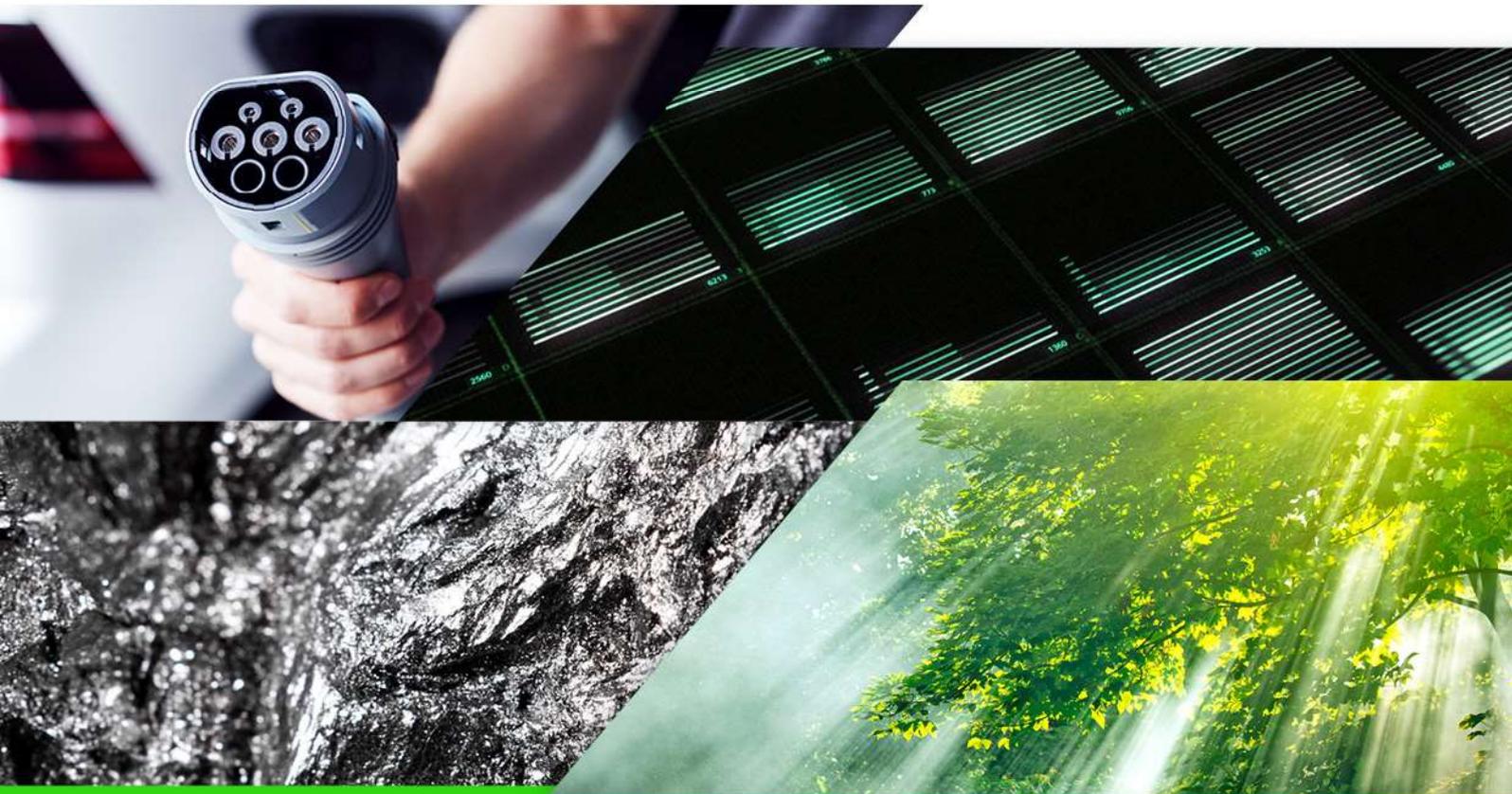
Vesting Deadline: The Vesting Conditions must be satisfied by no later than 1 month prior to the Expiry Date of the Performance Rights.

If the relevant Vesting Condition has not been achieved by the Vesting Deadline, then the Performance Rights will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event the relevant Vesting Condition is met before the relevant Vesting Deadline and the Shares the subject of a conversion are deferred in accordance with paragraph 1.1(m) (h) below or any other regulatory requirement.

- (b) **Notification to holder:** The Company shall notify the holder in writing when the Vesting Condition has been satisfied.
- (c) **Conversion:** The holder may exercise each vested Performance Right into one Share.
- (d) **Expiry Date:** Each Performance Right shall expire five (5) years after the date of issue.
- (e) **Application to ASX:** The Performance Rights will not be quoted on the ASX. The Company must apply for the official quotation of the Shares issued on conversion of the Performance Rights within the time period required by the Listing Rules.
- (f) **Reorganisation of capital:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable Listing Rules and the Corporations Act at the time of reorganisation.
- (g) **Dividend and voting rights:** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (h) **Change in control:** Subject to deferral of conversion if such conversion would result in a contravention of section 606(1) of the Corporations Act, upon:
- (iv) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (C) having received acceptances for not less than 50.1% of the Company's Shares on issue; and

- 
- (D) having been declared unconditional by the bidder; or
 - (v) 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 company or companies; or
 - (vi) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

the Vesting Condition (unless an Offer provides otherwise) is deemed to be automatically waived.



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LODGE YOUR VOTE

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<https://investorcentre.linkgroup.com>
-  **BY MAIL**
EcoGraf Limited
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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 EcoGraf Limited and entitled to participate in 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 (AWST) on Tuesday, 29 November 2022 at RSM Australia, Level 32, Exchange Tower, 2 The Esplanade, Perth WA 6000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 3, 4, 5 & 6: 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 Resolutions 1, 3, 4, 5 & 6, even though the Resolutions are 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. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

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

Resolutions	For	Against	Abstain*	For	Against	Abstain*	
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Issue of Non-Executive Director Equity Rights to Director – Robert Pett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – John Conidi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Issue of Non-Executive Director Equity Rights to Director – John Conidi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Equity Settled Short-Term Incentive for the Year Ended 30 June 2022 – Issue of Performance Rights to Director – Andrew Spinks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Equity Settled Long-Term Incentive – Issue of Performance Rights to Director – Andrew Spinks	<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 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).



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 Resolutions are 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 participate in 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 participate in 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 **10:00am (AWST) on Sunday, 27 November 2022**, 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:



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 MAIL

EcoGraf Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

Deliver 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 PARTICIPATE IN AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**