

Lycopodium Limited (ASX: LYL) Annual General Meeting

PERTH, 13 October 2023

Notice is hereby given that the Annual General Meeting of the shareholders of **Lycopodium Limited** (ASX: LYL) (Company) will be held at Fraser Suites Perth, 10 Adelaide Terrace, East Perth, Western Australia on Tuesday, 14 November 2023 at 10:30am (AWST) (Meeting).

Notice of Meeting

In accordance with section 110D(1) of the Corporations Act 2001 (Cth) (the Corporations Act), the Company is not sending hard copies of the Notice of Meeting to shareholders unless a shareholder has requested a hard copy of the Notice of Meeting or made an election for the purposes of section 110E of the Corporations Act to receive documents from the Company in physical form. The Notice of Meeting can be viewed and downloaded from <https://www.lycopodium.com/investor-relations/asx-announcements/>.

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If you have any difficulties accessing the Notice, please contact the Company's share registry, Computershare Investor Services Pty Limited, on 1300 764 130 (within Australia) or +61 3 9415 4267 (outside Australia).

Investors who are unable or choose not to attend the Meeting can view the AGM presentation which will be available on the Company's website <https://www.lycopodium.com/investor-relations/asx-announcements/> prior to the Meeting.

Proxy Lodgements

If you have not elected to receive notices from the Company by email, a copy of your personalised proxy form will be sent to you by mail enclosed with this letter.

Shareholders are encouraged to submit proxy votes either online at www.investorvote.com.au or by returning the enclosed proxy form as per the options below:

Post: Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001

OR

Fax: 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

Your proxy voting instruction must be received by 10:30am (AWST) on Sunday, 12 November 2023, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

In order to be able to receive electronic communications from the Company in the future, please update your shareholder details online at www.computershare.com/au.

About Lycopodium Limited (ASX: LYL)

Lycopodium is a leader in its field, working with clients to provide integrated engineering, construction and asset management solutions. We have the expertise to deliver complex, multidisciplinary projects, through to the provision of feasibility studies and advisory services.

Operating across the Resources, Infrastructure and Industrial Processes sectors, we offer a diverse team of industry experts to deliver bespoke and innovative solutions across all commodity types.

With the capability to deliver projects around the world, we have offices in Australia, South Africa, Canada, Ghana and the Philippines.

For more, visit www.lycopodium.com

LYCOPodium LIMITED
ACN 098 556 159
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.30 am (WST)
DATE: 14 November 2023
PLACE: Fraser Suites Perth
10 Adelaide Terrace
EAST PERTH WA 6004

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

This Notice 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.

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 10.30 am (WST) on 12 November 2023.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. 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 2023."

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.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BRUNO RUGGIERO

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, Listing Rule 14.4 and for all other purposes, Mr Bruno Ruggiero, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – MR PETER DE LEO

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 15,783 Performance Rights to Mr Peter De Leo (or his nominee) under the Incentive Performance Rights Plan 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.

5. RESOLUTION 4 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – MR BRUNO RUGGIERO

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 11,868 Performance Rights to Mr Bruno Ruggiero (or

his nominee) under the Incentive Performance Rights Plan 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 5 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – MR KARL CICANESE

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 14,356 Performance Rights to Mr Karl Cicanese (or his nominee) under the Incentive Performance Rights Plan 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: 13 October 2023

By order of the Board



**Justine Campbell
Company Secretary**

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either 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 this 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 <p>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 – Issue of Incentive Performance Rights to Director - Mr Peter De Leo	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution 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 this Resolution. <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 this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 4 - Issue of Incentive Performance Rights to Director - Mr Bruno Ruggiero	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution 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 this Resolution. <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 this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 5 - Issue of Incentive Performance Rights to Director - Mr Karl Cicanese	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution 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 this Resolution. <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 this Resolution is 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 following persons:

Resolution 3 – Issue of Incentive Performance Rights to Director – Mr Peter De Leo	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 (including Mr Peter De Leo) or an associate of that person or those persons.
Resolution 4 – Issue of Incentive Performance Rights to Director – Mr Bruno Ruggiero	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 (including Mr Bruno Ruggiero) or an associate of that person or those persons.
Resolution 5 – Issue of Incentive Performance Rights to Director – Mr Karl Cicanese	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 (including Mr Karl Cicanese) or an 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 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 or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two 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.

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 Computershare will need to verify your identity. You can register from 10.00am (WST) on the day of the Meeting.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 6210 5222.

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.

1. 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 2023 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.lycopodium.com.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 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.

2.2 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.

2.3 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 Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR BRUNO RUGGIERO

3.1 General

Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Mr Bruno Ruggiero, who has served as a Director since 25 October 2001 and was last re-elected on 19 November 2020, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Ruggiero (BE (Mech), Grad Dip Min Sc, Grad Cert Eng Tech, MIEAust) has over 30 years' experience in the minerals industry. He currently serves as the Group Technical Director for Lycopodium Limited having overarching responsibility for the Company's technical knowledge base, capabilities and direction. Mr Ruggiero is a Director of Lycopodium Minerals Pty Ltd. Mr Ruggiero is currently non-executive director of ECG Engineering Pty Ltd and non-executive director of Quantum Graphite Limited. Independence

If re-elected the Board does not consider Mr Ruggiero will be an independent Director.

3.3 Technical information required by Listing Rule 14.1A

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

In the event that Resolution 2 is not passed, Mr Ruggiero 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.

3.4 Board recommendation

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

4. RESOLUTIONS 3, 4 AND 5 - ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTORS

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 42,007 Performance Rights to Mr Peter De Leo, Mr Bruno Ruggiero and Mr Karl Cicanese (together, the **Related Parties**) (or their nominees) pursuant to the Performance Rights Plan and on the terms and conditions set out below (**Incentive Performance Rights**).

The Incentive Performance Rights will be distributed amongst the Related Parties as follows:

- (a) 15,783 Incentive Performance Rights to Mr Peter De Leo (Resolution 3);
- (b) 11,868 Incentive Performance Rights to Mr Bruno Ruggiero (Resolution 4); and
- (c) 14,356 Incentive Performance Rights to Mr Karl Cicanese (Resolution 5).

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:

- (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 Incentive Performance Rights to the Related Parties (or their nominees) constitutes giving a financial benefit and each of the Related Parties are related parties of the Company by virtue of being Directors.

Section 211 of the Corporations Act provides an exception to the prohibition in section 208 of the Corporations Act where the financial benefit is given to a related party as an officer of the Company and to give the remuneration would be reasonable given the circumstances of the Company and the related party's circumstances (including the responsibilities involved in the office or employment) (**Reasonable Remuneration Exception**).

The Directors (other than the Related Parties) consider that the proposed issue of Incentive Performance Rights to the Related Parties (as contemplated by Resolutions 3, 4 and 5) fall within the Reasonable Remuneration Exception given the circumstances of the Company and the respective positions held by the Related Parties.

Accordingly, the Board has determined not to seek Shareholder approval for the purpose of Chapter 2E of the Corporations Act for the issue of Incentive Performance Rights under Resolutions 3, 4 and 5.

4.3 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 Incentive Performance Rights to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 3, 4 and 5 seek the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Listing Rule 10.14.

4.4 Technical information required by Listing Rule 14.1A

If Resolutions 3, 4 and 5 are passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to the Related Parties under the 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 Incentive Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 3, 4 and 5 are not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to the Related Parties under the Performance Rights Plan. If Resolutions 3, 4 and 5 are not passed, the Board reserves the right to negotiate alternative incentive measures with the Related Parties.

4.5 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 to 5:

- (a) the Incentive Performance Rights will be issued to Peter de Leo, Bruno Ruggiero and Karl Cicanese (or their nominees), who each fall within the category set out in Listing Rule 10.14.1, by virtue of being a Director;
- (b) the maximum number of Incentive Performance Rights to be issued is as follows;
 - (i) 15,783 Incentive Performance Rights to Peter De Leo (or his nominee);
 - (ii) 11,868 Incentive Performance Rights to Bruno Ruggiero (or his nominee); and
 - (iii) 14,356 Incentive Performance Rights to Karl Cicanese (or his nominee);
- (c) the current total remuneration package for the Related Parties based on the 2023 financial year is set out below:

- (i) Peter De Leo received a total of \$884,394, comprising of directors' fees and salary of \$714,500, a cash bonus of \$46,608, non-monetary benefits of \$9,341, a superannuation payment of \$27,500 and share-based payments of \$86,445. If the Incentive Performance Rights are issued, the total remuneration package of Mr De Leo will increase by \$107,492 to \$991,886, being the value of the Incentive Performance Rights (based on the Binomial Tree methodology);
 - (ii) Bruno Ruggiero received a total of \$735,765, comprising of directors' fees and salary of \$593,480, a cash bonus of \$37,558, non-monetary benefits of \$9,341, a superannuation payment of \$30,800 and share-based payments of \$64,586. If the Incentive Performance Rights are issued, the total remuneration package of Mr Ruggiero will increase by \$80,828 to \$816,593 being the value of the Incentive Performance Rights (based on the Binomial Tree methodology);
 - (iii) Karl Cicanese received a total of \$1,259,737, comprising of directors' fees and salary of \$657,576, a cash bonus of \$42,083, non-monetary benefits of \$9,341, a superannuation payment of \$25,292 and share-based payments of \$525,445 (including \$450,800 represents 200,000 Loan Funded Shares issued during the year). If the Incentive Performance Rights are issued, the total remuneration package of Mr Cicanese will increase by \$97,773 to \$1,357,510 being the value of the Incentive Performance Rights (based on the Binomial Tree methodology);
- (d) the following Performance Rights have previously been issued for nil cash consideration under the Performance Rights Plan:
- (i) 18,853 Performance Rights to Peter De Leo;
 - (ii) 13,391 Performance Rights to Bruno Ruggiero; and
 - (iii) 17,003 Performance Rights to Karl Cicanese;
- (e) a summary of the material terms and conditions of the Incentive Performance Rights is set out in Schedule 1;
- (f) the Incentive Performance Rights are unquoted performance rights. The Company has chosen to grant the Incentive Performance Rights to the Related Parties for the following reasons:
- (i) the Incentive Performance Rights are unlisted, therefore the grant of the Incentive Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Incentive Performance Rights to the Related Parties will align the interests of the Related Parties with those of Shareholders;
 - (iii) the issue of the Incentive Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if

alternative cash forms of remuneration were given to the Related Parties; and

- (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Incentive Performance Rights on the terms proposed;

(g) the Company values the Incentive Performance Rights as follows:

- (i) Peter De Leo - \$107,492 (being \$6.81 per Incentive Performance Right) based on the Binomial Tree methodology;
- (ii) Bruno Ruggiero - \$80,828 (being \$6.81 per Incentive Performance Right) based on the Binomial Tree methodology; and
- (iii) Karl Cicanese - \$97,773 (being \$6.81 per Incentive Performance Right) based on the Binomial Tree methodology,

using the following assumptions:

Assumptions:	
Valuation date	13 September 2023
Market price of Shares	\$10.15
Exercise price	\$0.00
Expiry date (length of time from issue)	11 September 2028
Risk free interest rate	4.10%
Volatility (discount)	38%
Indicative value per Incentive Performance Right	\$6.81

- (h) the Incentive Performance Rights will be issued to the Related Parties (or their nominees) 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 Incentive Performance Rights will be issued on one date;
- (i) the issue price of the Incentive Performance Rights will be nil, as such no funds will be raised from the issue of the Incentive Performance Rights;
- (j) a summary of the material terms and conditions of the Performance Rights Plan is set out in Schedule 2;
- (k) no loan is being made to the Related Parties in connection with the acquisition of the Incentive Performance Rights;
- (l) details of any Performance Rights issued under the 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 Performance Rights Plan after Resolutions 3 to 5 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

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.

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 Lycopodium Limited (ACN 098 556 159).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

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

Proxy Form means the proxy form accompanying the Notice.

Reasonable Remuneration Exception means the reasonable remuneration exception pursuant to section 211 of the Corporations Act.

Related Parties means Messrs Peter De Leo, Bruno Ruggiero and Karl Cicanese.

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 July 2023.

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.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF INCENTIVE PERFORMANCE RIGHTS

1. Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2. Plan

The Company in 2023 will grant a total of 147,823 Performance Rights (**Performance Rights**) under the Company's Incentive Performance Rights Plan (**Plan**). Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

3. Vesting Condition

Unless otherwise determined by the Board in accordance with the Plan, the Performance Rights will vest on the date which is 3 years after the date of grant (**Vesting Date**), subject to the Related Party remaining an officeholder, or employed or engaged by the Company at the Vesting Date (**Vesting Condition**).

4. Consideration

The Performance Rights will be granted to the Related Party (or their nominee) for nil cash consideration.

5. Exercise Price

The Exercise Price of each vested Performance Right is nil.

6. Expiry Date

Each Performance Right will expire on the earlier to occur of:

- (i) the date which is 5 years after the date of grant; and
- (ii) the Performance Right lapsing and being forfeited under the Plan or these terms and conditions,

(**Expiry Date**). For the avoidance of doubt any vested but unexercised Performance Rights will automatically lapse on the Expiry Date.

7. Conversion

Upon vesting, each Performance Right will, at the Related Party's election, convert into one Share. The Related Party may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

8. Transfer

The Performance Rights are not transferable unless they have vested and only with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

9. Quotation

No application for quotation of the Performance Rights will be made by the Company.

10. Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

11. Shares issued on exercise

All Shares issued upon the exercise of Performance Rights will upon issue rank pari passu in all respects with the then Shares of the Company.

12. Timing of issue of Shares and quotation of Shares on exercise

As soon as practicable after the issue of a Notice of Exercise by the Related Party in accordance with clause 7.1 of the Plan and subject to the expiry of any Restriction Period that applies to the Shares under the Corporations Act or the Listing Rules, the Company will:

- (a) issue, allocate or cause to be transferred to the Related Party the number of Shares to which the Related Party is entitled under the Plan;
- (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the Related Party;
- (c) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

13. Bonus issue

If Shares are issued by the Company pro rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Performance Rights is entitled, upon exercise of the Performance Rights, to receive, in addition to the Shares in respect of which the Performance Rights are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a Shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.

14. Change of Control

Subject to clause 12 of the Plan, upon the occurrence of a Change of Control, to the extent Performance Rights have not converted into Shares due to satisfaction of a Vesting Condition, Performance Rights will automatically convert to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue in the Company, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue at that time. Performance Rights that are not converted into Shares will continue to be held by the holder on the same terms and conditions.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

A summary of the material terms of the Company's Employee Incentive Performance Rights Plan (**Plan**) is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of performance rights (Performance Rights).
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Company relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	<p>The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Performance Rights provided under the Plan on such terms and conditions as the Board decides.</p> <p>On receipt of an invitation, an Eligible Participant may apply for the Performance Rights the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.</p>
Grant of Performance Rights	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Performance Rights, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

Rights attaching to Performance Rights	<p>Prior to a Performance Right being exercised, the holder:</p> <ul style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Performance Right other than as expressly set out in the Plan; (b) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company; (c) is not entitled to receive any dividends declared by the Company; and (d) is not entitled to participate in any new issue of Shares (see Adjustment of Performance Rights section below).
Vesting of Performance Rights	<p>Any vesting conditions applicable to the Performance Rights will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Performance Rights have vested. Unless and until the vesting notice is issued by the Company, the Performance Rights will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Performance Right are not satisfied and/or otherwise waived by the Board, that security will lapse.</p>
Exercise of Performance Rights	<p>To exercise a Performance Right, the Participant must deliver a signed notice of exercise at any time following vesting of the Performance Right (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>A Performance Right may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
Timing of issue of Shares and quotation of Shares on exercise	<p>As soon as practicable after the valid exercise of a Performance Right by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Performance Rights held by that Participant.</p>
Restrictions on dealing with Performance Rights	<p>A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with a Performance Right that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Performance Right that has been granted to them.</p> <p>However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with Performance Rights granted to them under the Plan with the consent of the Board</p>
Listing of Performance Rights	<p>A Performance Right granted under the Plan will not be quoted on the ASX or any other recognised exchange.</p>
Forfeiture of Performance Rights	<p>Performance Rights will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> (a) where a Participant who holds Performance Rights ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all

	<p>unvested Performance Rights will automatically be forfeited by the Participant;</p> <p>(b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;</p> <p>(c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</p> <p>(d) on the date the Participant becomes insolvent; or</p> <p>(e) on the expiry date of the Performance Rights.</p>
Change of control	<p>If a change of control event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the holder's Performance Rights will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event.</p>
Adjustment of Performance Rights	<p>If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Performance Rights will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p> <p>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Performance Rights is entitled, upon exercise of those Performance Rights, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.</p> <p>Unless otherwise determined by the Board, a holder of Performance Rights does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.</p>
Rights attaching to Shares	<p>All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Performance Right, will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Shares issued upon exercise of a Performance Right and may participate in any dividend reinvestment plan operated by the Company in respect of Shares. A Participant may exercise any voting rights attaching to Shares issued under the Plan.</p>

Disposal restrictions on Shares	<p>If the invitation provides that any Shares issued upon the valid exercise of a Performance Right are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>For so long as a Share is subject to any disposal restrictions under the Plan, the Participant will not:</p> <ul style="list-style-type: none"> (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Share; or (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.
General Restrictions on Transfer of Shares	<p>If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of an Performance Right may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act.</p> <p>Restrictions are imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information.</p> <p>Any Shares issued to a holder upon exercise of a Performance Right shall be subject to the terms of the Company's Performance Rights Trading Policy.</p>
Buy-Back	<p>Subject to applicable law, the Company may at any time buy-back Performance Rights and Shares issued upon exercise of Performance Shares in accordance with the terms of the Plan.</p>
Employee Share Trust	<p>The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Performance Rights for holders under the Plan and delivering Shares on behalf of holders upon exercise of Performance Rights.</p>
Maximum number of Performance Rights	<p>The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Performance Rights offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b) – refer to Resolution 5 and Section 6.3(c).</p>
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Performance Rights have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p>

	<p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Performance Rights granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Performance Rights may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	<p>The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.</p>



LYCOPODIUM LIMITED

ABN 83 098 556 159

Need assistance?



Phone:

1300 764 130 (within Australia)
+61 (3) 9415 4267 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:30am (AWST) on Sunday, 12 November 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 183059

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

IND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Lycopodium Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Lycopodium Limited to be held at Fraser Suites Perth, 10 Adelaide Terrace, East Perth, WA 6004 on Tuesday, 14 November 2023 at 10:30am (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 3, 4 and 5 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 3, 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 3, 4 and 5 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Mr Bruno Ruggiero	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Incentive Performance Rights to Director – Mr Peter De Leo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Incentive Performance Rights to Director – Mr Bruno Ruggiero	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Incentive Performance Rights to Director – Mr Karl Cicanese	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1	Securityholder 2	Securityholder 3	/ /
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date
Update your communication details (Optional)			By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically
Mobile Number	Email Address		
<input type="text"/>	<input type="text"/>		

