

**ORCODA LIMITED**

**ACN 009 065 650**

**ADDENDUM TO THE NOTICE OF GENERAL MEETING**

**Tuesday, 1 February 2022 at 9.00 am (AEST) / 10.00 am (AEDT)**

Dear Shareholders,

Following shareholder feedback, the Board is proposing two (2) modifying terms to the proposed Performance Rights that were the subject of the upcoming general meeting scheduled for Tuesday, 1 February 2022.

Please note the following key issues:

- The effect of the two (2) amendments (if passed) benefit shareholders through reducing the potential benefit to the recipient directors in comparison to the prior notice of meeting (if the resolutions were passed). Refer to the key changes below for the specific details.
- the language for any resolution is not being amended;
- the amendments to the relevant terms in the (original) Explanatory Memorandum **only**; and
- the Addendum is to be attached to the Notice of Meeting (“Notice”) is accessible on the (Computershare) Company’s share registry or may be downloaded from the Company’s website.

The key changes are

- that the conversion period is reduced to **3 years (shortened from 5 years in the Notice)** from the date the Performance Rights are granted; and
- the price to be paid by the recipients **is \$0.158, being 100% of the 30-day VWAP preceding 1 January 2022 (or at a 0% discount)** compared to the previous 15% discount of the 30-day VWAP preceding 1 January 2022.

If there are shareholders who wish to change their votes due to material contained in this Addendum, then that is permissible as per the existing rules on voting, the Constitution, and the Corporations Act.

In summary, Shareholders may change their votes:

1. at any time up to the 48 hours prior to this general meeting; or
2. when voting at the meeting itself, which is being held online as per the original Notice.

The Addendum to the Notice of the General Meeting (“Notice”) on Tuesday, 1 February 2022 at 9.00 am (AEST) / 10.00 am (AEDT) appears on the following page.

## ADDENDUM

Addendum to the Notice of the General Meeting to be held on Tuesday, 1 February 2022 at 9.00 am (AEST) / 10.00 am (AEDT).

- On page 5 of the Notice, **Technical Information required by Listing Rule 14.1 A to be replaced with the below:**

If Resolutions 1 to 5 are passed (or anyone or more of them), then the Company is permitted to issue Performance Rights for each relevant Director on the amended terms prescribed in this Addendum.

If Resolutions 1 to 5 are not passed (or anyone or more of them), then the Company will not issue the Performance Rights for each respective Director but may use cash reserves or another form of equivalent remuneration from future profits, to remunerate its directors on terms not otherwise dissimilar.

- The Table on page 6 of the Notice provides a summary of the relevant Performance Rights, and their benefits, pricing, and other matters. Column 6 "Valuation of securities" and Column 7 "Economic benefit of securities" are amended as the result of this Addendum (shown in the two grey columns).

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Resolutions	Names of director (LR 10.15.1)	Category of Person (LR 10.15.2)	Base Salary	Performance Rights (LR 10.15.3)	Valuation of securities*	Economic benefit of securities**
1.	Nicholas Johansen	LR 10.14.1 - Director.	\$50,000	1,000,000	\$158,000	NIL
2.	Geoffrey Jamieson	LR 10.14.1 - Director.	\$350,000	3,300,000	\$521,400	NIL
3.	Geoffrey Williams	LR 10.14.1 - Director.	\$100,000	2,100,000	\$331,800	NIL
4.	Brendan Mason	LR 10.14.1 - Director.	\$30,000	500,000	\$79,000	NIL
5.	Stephen Pronk	LR 10.14.1 - Director.	\$25,000	500,000	\$79,000	NIL

\*The valuation of the securities in column 6 is the 30-day VWAP preceding 1 January 2022 and was estimated at 15% discount to \$0.16 each. The 30-day VWAP is now known as being \$0.158 (and at 0% discount as per amended terms), and so is modified.

\*\* Column 7 demonstrated the value of the benefit for each director (subject to other terms), being that 15% discount. The Notice calculated the benefit at 15% of \$0.16 (of the then estimated 30-Day VWAP). This Addendum reduces the discount to nil so that there is a \$Nil Economic benefit of the securities as calculated on 1 January 2021.

- (LR 10.15.8) information on page 6 of the Notice be replaced with the below:

(LR 10.15.8) All Performance Rights are granted for nil consideration to directors of the Company (though may only be converted by their paying the conversion price being the 30-day VWAP preceding 1st January 2022, now determined at \$0158)

- Following amendments be made to the (LR 10.15.6) **A summary of material terms, explanation of the Performance Rights, and their valuation information on page 7:**

- Point 1 to the (LR 10.15.6) information on page 7** be replaced as below:

It is a contractual right that completion of the relevant hurdle or milestone provides the recipient with the right to convert those to ordinary shares anytime three years from their date of grant, subject to the 18-month vestment being met (or a takeover of the Company occurring within

that 18 months). During the relevant period, the eligible holder must remain an employee (or director) of the company, or otherwise, the performance rights expire.

**b. Point 2 to the (LR 10.15.6) information on page 7** be replaced as below:

Reasons to select this security include the following.

- a. Conversion flexibility.
- b. Incentivise retention and promote Board stability.
- c. Ease of administration.
- d. Aligning economic interests between the Board and Shareholders.
- e. The future benefit is relatively modest.

**c. Point 3 to the (LR 10.15.6) information on page 7** be replaced as below:

The major terms of the issue are as follows:

- a. 18-month vesting period (this period is shortened if at any time in the 18 months a takeover offer for the Company is approved by shareholders), with conversion period being any time up to 3 years from the date of grant of the Performance Rights; and
- b. The price for conversion of the Performance Rights is fixed at \$0.158 (being 30-day VWAP preceding 1 January 2022).
- c. The conversion at the holder's right, on a 1:1 ratio of Performance Right to fully paid ordinary share.

**d. Point 4 to the (LR 10.15.6) information on page 7** be replaced as below:

Part of LR 10.15.16 involves assessing the value of these securities. The Company proposes that the value of the Performance Rights (without external professional evaluation) should be equivalent to the total number of securities issued to each director multiplied by the 30-day VWAP immediately preceding 1 January 2022 (now determined at \$0.158).

**e. Point 6 to the (LR 10.15.6) information on page 7** be replaced as below:

Hurdle 2: Payment to the Company of the Conversion Price of \$0.158 per security, being 30-day VWAP preceding 1 January 2022.

**f. Point 8 to the (LR 10.15.6) information on page 7** be replaced as below:

Directors may convert in tranches at their discretion, but not less than 20,000 at any one time after the First Retention Hurdle has been met (18-month period), and then not later than 3 years from their grant date.

5. The below **relevant OSP Terms** on page 8 shall be amended as follows (using the same headings under "Aspect"):

Aspect	Details
<b>Term</b>	These rights expire in 3 years from the date of grant.
<b>Exercise and Exercise Price</b>	<ul style="list-style-type: none"> <li>• In the case of exercise, Participants may submit an exercise notice at any time between the Vesting Date and the elapsing of the Term of the Rights, otherwise, they will lapse at the end of their Term.</li> <li>• The exercise price is fixed at 30-day VWAP preceding 1 January 2022 (now determined at \$0.158).</li> </ul>
<b>Cessation of Employment</b>	<ul style="list-style-type: none"> <li>• On termination of employment, the Incentive Rights granted will be forfeited if they cease working in their roles before the 18-month vesting date.</li> <li>• Resignations for reasons of poor health or other factors may be considered exempt from immediately expiring as determined by the Board in accordance with the OSP.</li> <li>• Any vested performance rights granted under this general meeting (not converted) shall expire at the end of three years, from their date of grant.</li> </ul>