

28 October 2021

Dear Shareholder

Spirit Technology Solutions Ltd – Annual General Meeting of Shareholders, 29 November 2021

Notice is hereby given that the Annual General Meeting of Shareholders of Spirit Technology Solutions Ltd (**Company**) will be held virtually via a webinar conferencing facility at 2:00pm (AEDT) on Monday, 29 November 2021 (“Annual General Meeting”, “AGM” or “Meeting”). Notice is also given that the Company’s Annual Report for the year ended 30 June 2021 (“Annual Report”) is available.

In accordance with the Treasury Laws Amendment (2021 Measures No1) Bill 2021, the Company will not be dispatching physical copies of the Notice of Meeting. Instead, the Notice of Meeting, accompanying explanatory statement and Annual Report (Meeting Materials) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website <https://www.spirit.com.au/investor-centre/> or at the Company’s share registry’s website <https://investor.automic.com.au/#/loginsah>.
- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “ST1”.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://investor.automic.com.au/>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Automic at meetings@automicgroup.com.au or by phone on +61 2 9698 5414 (International) or 1300 288 664 (within Australia) between 9:00am and 5:00pm (AEDT) Monday to Friday, to obtain a copy.

As a result of the potential health risks and the Governments restrictions in response to the COVID-19 pandemic, the Meeting will be held via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Yours sincerely,



Melanie Leydin
Company Secretary
Spirit Technology Solutions Ltd



Spirit

Technology Solutions

SPIRIT TECHNOLOGY SOLUTIONS LTD

ACN 089 224 402

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:

Monday, 29 November 2021

Time of Meeting:

2:00PM (AEDT)

Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the Corporations Act 2001 which renewed the temporary relief for companies to use electronic communications to send meeting materials, no hard copy of the Notice of Annual General Meeting and Explanatory Statement will be circulated. The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Australian Securities Exchange Announcement platform and on the Company's website <https://spirit.com.au/>.

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor without delay*

SPIRIT TECHNOLOGY SOLUTIONS LTD

ACN 089 224 402

Registered Office: Level 4, 100 Albert Road, South Melbourne VIC 3205

Notice is hereby given that the Annual General Meeting of Members of Spirit Technology Solutions Ltd (“Spirit” or the “Company”) will be held virtually via a webinar conferencing facility at 2.00pm (AEDT) on Monday, 29 November 2021 (“Annual General Meeting”, “AGM” or “Meeting”).

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances as a result of COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Board at the time of the Notice, the Company will conduct a poll on the resolutions in the Notice using the proxies filed prior to the Meeting.

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the AGM.

The virtual meeting can be attended using the following details:

When: Monday, 29 November 2021 at 2:00pm (AEDT)

Topic: Spirit Technology Solutions Ltd – Annual General Meeting

Register in advance for the virtual meeting:

https://us02web.zoom.us/webinar/register/WN_c-NmijT7SsaqWfyLiYxSA

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online. The Company will conduct a poll on each resolution presented at the meeting. The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the meeting by email to mleydin@leydinfreyer.com.au. The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to the ASX.

Any shareholders who wish to attend the AGM online should therefore monitor the Company's website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: STI) and on its website at <https://spirit.com.au/>.

SPIRIT TECHNOLOGY SOLUTIONS LTD

ACN 089 224 402

Registered office: Level 4, 100 Albert Road, South Melbourne Victoria 3205

AGENDA

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

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the Financial Report of the Company, together with the Directors' Report (including the Remuneration Report) and Auditor's Report as set out in the Company's Annual Report for the year ended 30 June 2021.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

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

"That, for the purpose of Section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2021 be adopted."

Resolution 2: Re-election of Mr James Joughin as a Director of the Company

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

"That, Mr James Joughin, who retires by rotation pursuant to the Constitution of the Company in accordance with Rule 21.2 of the Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Ratification of Prior Issue of 1,024,218 Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on or about 9 September 2021 of 1,024,218 fully paid ordinary shares in the Company at a deemed issue price of \$0.28 (28 cents) per share as described in the Explanatory Statement."

Resolution 4: Ratification of Prior Issue of 1,648,142 Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on or about 9 September 2021 of 1,648,142 fully paid ordinary shares in the Company at a deemed issue price of \$0.32 (32 cents) per share as described in the Explanatory Statement."

Resolution 5: Ratification of Prior Issue of 1,386,813 Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on or about 9 September 2021 of 1,386,813 fully paid ordinary shares in the Company at a deemed issue price of \$0.27 (27 cents) per share as described in the Explanatory Statement."

Resolution 6: Approval of change to the terms of grant of the 2020 Performance Rights previously issued to Mr Solomon Lukatsky

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

"That, for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for a change to the terms of the 2020 Performance Rights granted to Mr Solomon Lukatsky, Managing Director of the Company, on the basis described in the Explanatory Statement."

Resolution 7: Approval of change to the terms of grant of the 2020 Performance Rights previously issued to Mr Mark Dioguardi

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

"That, for the purposes of sections 200B and 200E of the Corporations Act and for all other purposes, approval is given for a change to the terms of the 2020 Performance Rights granted to Mr Mark Dioguardi, Chief Operating Officer and Executive Director of the Company, on the basis described in the Explanatory Statement."

Resolution 8: Approval to Grant FY22 Performance Rights to Mr Solomon Lukatsky

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

"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 6,000,000 Performance Rights to Mr Solomon Lukatsky, a Director of the Company, as Mr Lukatsky's FY22 Long Term Incentive under the Employee Incentive Plan and on the terms described in the Explanatory Statement."

Resolution 9: Approval to Grant FY22 Performance Rights to Mr Mark Dioguardi

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

"That for the purposes of Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to grant 5,000,000 Performance Rights to Mr Mark Dioguardi, a Director of the Company, as Mr Dioguardi's FY22 Long Term Incentive under the Employee Incentive Plan and on the terms described in the Explanatory Statement."

Resolution 10: Renewal of Employee Incentive Plan

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

"That, under and for the purposes of ASX Listing Rule 7.2 Exception 13(b), and for all other purposes including section 259B and 260C of the Corporations Act 2001 (Cth), approval is given for the Company to adopt an employee incentive plan, being the proposed "Employee Incentive Plan Rules" (EIP), with the terms as set out or described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

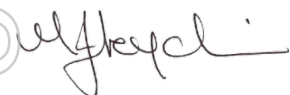
SPECIAL BUSINESS

Resolution 11: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

By order of the Board



Melanie Leydin
Company Secretary

28 October 2021

Notes

1. **Entire Notice:** The details of the resolution contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEDT) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

3. Proxies

- a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
- b. Each shareholder has a right to appoint one or two proxies.
- c. A proxy need not be a shareholder of the Company.
- d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
- f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
- g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
- h. To be effective, Proxy Forms must be received by the Company's share registry (Automic) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 2:00pm (AEDT) on Saturday, 27 November 2021. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chairman will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel (**KMP**), details of whose remuneration are included in the remuneration report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- (a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - a. does not specify the way the proxy is to vote on the resolution; and
 - b. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chairman as your proxy and you do not direct the Chairman how to vote, you will be expressly authorising the Chairman to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2

There is no voting exclusion on this resolution.

Resolutions 3 through to 5

The Company will disregard any votes cast in favour on Resolutions 3 through to 5 by or on behalf of any person who participated in the issue of shares and any associates of those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

- (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.

Resolutions 6 and 7

The Company will disregard any votes cast in favour of Resolutions 6 and 7 by or on behalf of:

- (i) Mr Solomon Lukatsky and Mr Mark Dioguardi, or
- (ii) an associate of person referred to in the preceding paragraph.

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 directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see **Restriction on KMPs voting undirected proxies** below.

Resolutions 8 and 9

The Company will disregard any votes cast in favour of each of Resolutions 8 and 9 by or on behalf of any person who is referred to under ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan.

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 directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (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.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see **Restriction on KMPs voting undirected proxies** below.

Resolution 10

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- a person who is eligible to participate in the Employee Incentive Plan; and
- 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 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 Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (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.

A further restriction also applies to Key Management Personnel and their closely related parties voting undirected proxies on these resolutions – see **Restriction on KMPs voting undirected proxies** below.

Resolution 11

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

7. Restrictions on KMPs voting undirected proxies:

A vote must not be cast as proxy on any of Resolutions 1, 6, 7, 8, 9 or 10 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a "Restricted Voter") may cast a vote on any of Resolutions 1, 6, 7, 8, 9 or 10 as a proxy if:

- (a) The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution(s); and
- (b) The Chair is the Restricted Voter and the written appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution(s) or expressly authorises the Chair to exercise the proxy even though the resolution(s) is or are connected with the remuneration of a member of the Key Management Personnel.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

8. Special Resolution

Resolution 11 is proposed as a special resolution. For a special resolution to be passed, at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

9. Enquiries

Shareholders are invited to contact the Company Secretary on +61 3 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement ("**Statement**") accompanies and forms part of the Company's Notice of Annual General Meeting ("**Notice**") for the 2021 Annual General Meeting ("**Meeting**") will be held virtually via a webinar conferencing facility at 2:00pm (AEDT) on Monday, 29 November 2021.

The Notice incorporates, and should be read together, with this Statement.

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2021 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company's website: <https://spirit.com.au/investor-centre/> or via the Company's announcement platform on ASX under the ASX Code "STI". Except as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on the 2021 Annual Report and the management of the Company. The auditor will be invited to attend to answer questions about the audit of the Company's 2021 Annual Financial Statements.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2021 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast on that resolution and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Directors Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 2: Re-election of Mr James Joughin as a Director of the Company

Background

The Constitution of the Company requires that at every annual general meeting, at least one Director shall retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Joughin being eligible, offers himself for re-election.

James Joughin brings over 30 years of general corporate experience, having been a senior partner of Ernst & Young until 2013. He was a partner of that firm for 17 years and headed the Mergers and Acquisitions division in Melbourne. James is also an experienced company Director and holds non-executive Directorships of a number of private companies and a public company. He has wide business experience and has previously held the position of Chair of a private company and is currently Chair of a number of Risk and Audit Committees. For most of his career, James has been providing advice to Boards in relation to growth strategies, improving shareholder value, mergers and acquisitions, funding (both debt and equity) and IPO's.

Directors Recommendation

The Board (with Mr Joughin abstaining) recommends that shareholders vote in favour of the re-election of Mr Joughin.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 3: Ratification of Prior Issue of 1,024,218 Shares

Background

The Company is seeking shareholder approval to ratify the issue on or about 9 September 2021 of 1,024,218 fully paid ordinary shares (**Shares**) at a deemed issue price of \$0.28 (28 cents) per Share in relation to Target 2 Incentive Shares associated with the Trident acquisition.

Details of the Trident acquisition were announced on 14 February 2020, and the acquisition was completed on 18 February 2020.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2 applying. The issue of the Shares was within the Company's available placement capacity under ASX Listing Rule 7.1.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of Shares was within the Company's ASX Listing Rule 7.1 placement capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

If this Resolution is approved, the prior issue of 1,024,218 Shares may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 1,024,218 Shares counting towards the 15% threshold for the purposes of ASX Listing Rules 7.1.

If this Resolution is not approved, the prior issue of 1,024,218 Shares will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1. The Company will therefore have the 1,024,218 Shares as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under ASX Listing Rule 7.1.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the Shares were allotted and issued to The Bentley Group (Aust) Pty Ltd <as trustee for Moonriver Holdings Trust>;
- (b) the total number of fully paid ordinary shares in the Company that were issued is 1,024,218;
- (c) the Shares were issued on 9 September 2021 at a deemed issue price of \$0.28 (28 cents) per share;
- (d) the Shares allotted and issued rank pari pasu with all existing securities of their class; and
- (e) there were no funds raised from the issue of shares, as the shares were issued as Target 2 Incentive Shares associated with the Trident acquisition.

Directors Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 1,024,218 Shares as described above.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 4: Ratification of Prior Issue of 1,648,142 Shares

Background

The Company is seeking shareholder approval to ratify the issue on or about 9 September 2021 of 1,648,142 fully paid ordinary shares (**Shares**) at a deemed issue price of \$0.32 (32 cents) per Share in relation to Deferred consideration and incentive payments to Beachhead Group.

Details of the Beachhead Group acquisition were announced on 20 August 2020, and the acquisition was completed on 1 September 2020.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2 applying. The issue of the Shares was within the Company's available placement capacity under ASX Listing Rule 7.1.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of Shares was within the Company's ASX Listing Rule 7.1 placement capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

If this Resolution is approved, the prior issue of 1,648,142 Shares may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 1,648,142 Shares counting towards the 15% threshold for the purposes of ASX Listing Rules 7.1.

If this Resolution is not approved, the prior issue of 1,648,142 Shares will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1. The Company will therefore have the 1,648,142 Shares as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under ASX Listing Rule 7.1.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the shares were allotted and issued to Seabec Investments Pty Ltd <as trustee for the Boyd Family Trust>;
- (b) the total number of fully paid ordinary shares in the Company that were issued is 1,648,142;
- (c) the Shares were issued on 9 September 2021 at a deemed issue price of \$0.32 (32 cents) per share;
- (d) the Shares allotted and issued rank pari pasu with all existing securities of their class; and
- (e) there were no funds raised from the issue of shares, as the shares were issued as Deferred consideration and incentive payments to Beachhead Group.

Directors Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 1,648,142 Shares as described above.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 5: Ratification of Prior Issue of 1,386,813 Shares

Background

The Company is seeking shareholder approval to ratify the issue on or about 9 September 2021 of 1,386,813 fully paid ordinary shares (**Shares**) at a deemed issue price of \$0.27 (27 cents) per Share in relation to Incentive payments for Reliance IT and Altitude IT.

Details of the Reliance IT and Altitude IT acquisitions were announced on 20 August 2020, and the acquisitions were completed on 1 September 2020.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2 applying. The issue of the Shares was within the Company's available placement capacity under ASX Listing Rule 7.1.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of Shares was within the Company's ASX Listing Rule 7.1 placement capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

If this Resolution is approved, the prior issue of 1,386,813 Shares may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 1,386,813 Shares counting towards the 15% threshold for the purposes of ASX Listing Rules 7.1.

If this Resolution is not approved, the prior issue of 1,386,813 Shares will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1. The Company will therefore have the 1,386,813 Shares as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under ASX Listing Rule 7.1.

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval pursuant to Listing Rule 7.4:

- (a) the shares were allotted and issued to the following parties as follows:

(i) LPB Corporate Pty Ltd	1,071,040 Shares
(ii) Mandich Pty Ltd <as trustee for Mandich Family Trust>	274,721 Shares
(iii) Burt Desire Mascareigne	41,052 Shares;
- (b) the total number of fully paid ordinary shares in the Company that were issued is 1,386,813;
- (c) the Shares were issued on 9 September 2021 at a deemed issue price of \$0.27 (27 cents) per share;
- (d) the Shares allotted and issued rank pari pasu with all existing securities of their class; and
- (e) there were no funds raised from the issue of shares, as the shares were issued as Incentive payments for Reliance IT and Altitude IT.

Directors Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 1,386,813 Shares as described above.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolutions 6 and 7: Approval of change to the terms of grant of the 2020 Performance Rights previously issued to Mr Solomon Lukatsky and Mr Mark Dioguardi

Background

At the 2018 AGM, shareholders approved the adoption of an Employee Incentive Plan (EIP) in order to better align, motivate, retain and reward, employees of the Company and its subsidiaries.

At the 2020 AGM, shareholders approved the grant of 914,913 Performance Rights (Rights) to Mr Sol Lukatsky and 503,202 Rights to Mr Mark Dioguardi under the EIP.

Vesting of the Rights under the EIP was subject to the following hurdles:

- (a) 50% of the Rights vest based on satisfaction of a relative Total Shareholder Return ("TSR") performance hurdle; and

- (b) 50% of the Rights vest on meeting/exceeding the budgeted Return on Invested Capital ("**ROIC**").

It is noted that of the total amount achieved above, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

The Performance Period will run from 1 July 2020 to 30 June 2023 being the Performance Date.

TSR Vesting Condition

Of the 50% linked to TSR, the number of Rights which vest is determined by assessing the performance of the Company, as measured by TSR at the Performance Date relative to a comparator group of companies. The VWAP of the Shares in the one-month preceding the Performance Date compared to VWAP of the Shares in the one month preceding the commencement of the Performance Period (which commenced on 1 July 2020), will be used in calculating TSR over the three-year period. The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the Company's performance.

The Rights will only convert to Shares subject to the Performance Period being met and subject to the Company's TSR being at least equal to the median of the comparator group performance. The entire annual allocation will convert if the Company's TSR is at the 75th percentile or higher than the comparator group performance. The detailed breakdown of the relationship between the Company's performance and the conversion of Rights is:

- 0% converting if the Company TSR performance is below the median performance of the comparator group.
- Straight line Pro-rata conversion if the Company TSR performance is at or above the median performance of the comparator group, but below the 75th percentile performance of the comparator group.
- 100% converting if the Company TSR performance is at or above the 75th percentile performance of the comparator group.

ROIC Vesting Condition

Of the 50% linked to ROIC, each year the Board is to determine the budgeted ROIC. The Nomination and Remuneration Committee may exercise its discretion in determining if the participant has met the ROIC hurdle at the end of the 3 Years Series Return.

Of the total amount achieved, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

Why is Shareholder approval being sought?

Shareholder approval is sought to change the terms of the 2020 grant of Rights to Mr Sol Lukatsky and Mr Mark Dioguardi. That approval is required because the terms on which Mr Lukatsky's and Mr Dioguardi's Rights were granted were approved by Shareholders at the 2020 AGM.

The changes, if approved, will result in the removal of the ROIC vesting condition, with the current vesting conditions outlined above, being replaced entirely with the TSR vesting condition, as follows:

LTI Performance Hurdles

The Performance Rights are subject to the satisfaction of the following Performance Hurdles:

- (a) 50% of the Performance Rights vest based on satisfaction of a relative Total Shareholder Return ("**Relative TSR**") performance hurdle; and
- (b) 50% of the Performance Rights vest based on absolute total shareholder return ("**Absolute TSR**") performance of the Company.

It is noted that of the total amount achieved above, 30% is at risk if appropriate behaviours as measured by a 360-degree feedback conducted by the Company are not met.

Rationale

The Board considers that the previous ROIC hurdle is no longer fit for purpose or relevant to the Company, as the cost of capital on which the ROIC was based has changed significantly over the years, and establishing the appropriate capital base for the determination of ROIC is challenging considering the business strategy has changed. The Board therefore proposes that the ROIC hurdle be removed.

The Board believes that in order to compensate Mr Lukatsky and Mr Dioguardi in line with current market practices and remunerate them appropriately given the rapid growth of the Company, the change to the terms of the Performance Rights provide an appropriate and meaningful form of remuneration that aligns with Shareholder interests. The Board believes that the achievement of the performance hurdles attached to these Performance Rights will be to the benefit of all Shareholders. In particular, the Board considers that the changes to the terms of the Performance Rights represent reasonable remuneration for Mr Lukatsky and Mr Dioguardi as if the Company and Mr Lukatsky and Mr Dioguardi were dealing at arm's length.

Directors Recommendation

The Board (with Mr Lukatsky and Mr Dioguardi abstaining) recommends that Shareholders vote in favour of Resolutions 6 and 7.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 8: Approval to Grant FY22 Performance Rights to Mr Solomon Lukatsky

Background

Resolution 8 of this Notice seeks Shareholder approval to grant 6,000,000 Performance Rights to Mr Sol Lukatsky as his FY22 long term incentive on the terms described below and in accordance with the Company's Employee Incentive Plan (**EIP**), as well as approval for the issue of any Shares on vesting and exercise of those Performance Rights.

These Performance Rights are proposed to be granted to Mr Lukatsky as a once-off award in lieu of all future LTI awards in the period FY22 to FY24, in order to further align his interests with the interests of Shareholders.

As the Performance Rights will form part of Mr Lukatsky's remuneration, they will be granted for no cash payment and there will be no amount payable on vesting. Each vested Performance Right entitles Mr Lukatsky to be issued one ordinary fully paid share in the Company, or equivalent cash payment, on vesting. Prior to vesting, Performance Rights do not entitle Mr Lukatsky to any dividends or voting rights.

The Board believes that in order to compensate Mr Lukatsky in line with current market practices and remunerate him appropriately given the rapid growth of the Company, Performance Rights provide an appropriate and meaningful form of remuneration that aligns with Shareholder interests. The Board believes that the achievement of the performance hurdles attached to these Performance Rights will be to the benefit of all Shareholders. In particular, the Board considers that the value attributed to the Performance Rights (as described below) and their associated terms and conditions represent reasonable remuneration for Mr Lukatsky as if the Company and Mr Lukatsky were dealing at arm's length.

Approval is being sought in this Resolution in respect of the proposed grant of Performance Rights to Mr Lukatsky under the EIP as a component of his overall executive remuneration package.

Terms of Performance Rights

A total of 6,000,000 Performance Rights will be granted to Mr Lukatsky under the EIP, subject to Shareholder approval. The vesting of the Performance Rights is contingent on the satisfaction of the performance hurdles outlined below over a three-year performance period commencing 1 July 2021 and ending on 30 June 2024 (**Performance Period**).

LTI Performance Hurdles

The Performance Rights are subject to the satisfaction of the following Performance Hurdles:

- (a) 50% of the Performance Rights vest based on satisfaction of a relative Total Shareholder Return ("**Relative TSR**") performance hurdle by measurement against a peer group; and
- (b) 50% of the Performance Rights vest based on absolute total shareholder return ("**Absolute TSR**") performance of the Company.

Relative TSR

50% of the Performance Rights that are subject to the Relative TSR performance hurdle will be eligible to vest and become exercisable into Shares, assuming the relevant performance hurdles are met, at the end of year 2, and the balance at the end of year 3 (with the opportunity for a catch up at the end of year 3 if the milestones are not met at the end of the second year but are met at the end of the third year).

The Relative TSR would only be achieved subject to a minimum share price of \$0.33 (33 cents). The vesting schedule would be as set out below:

- If the TSR is at the 50th percentile of the peer group, 65% of the rights will vest;
- If the TSR is at the 90th percentile of the peer group, 100% of the rights will vest; and
- If the TSR is between the 50th and 90th percentile, a pro rata number of rights will vest.

Measurement

The number of Performance Rights which vest is determined by assessing the performance of the Company, as measured by TSR relative to a comparator group of companies. The VWAP of the Shares in the one-month preceding the Performance Dates compared to the VWAP of the Shares in the one month preceding the commencement of the Performance Period (which commenced on 1 July 2021), will be used in calculating TSR over the Performance Dates. The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the Company's performance.

The Performance Period will run from 1 July 2021 to 30 June 2024 and the Performance Dates are 30 June 2023 and 30 June 2024.

Absolute TSR

50% of the Performance Rights that are subject to the Absolute TSR performance hurdle will be eligible to vest and become exercisable into Shares, assuming the relevant performance hurdles are met, at the end of year 2, and the balance at the end of year 3 (with the opportunity for a catch up at the end of year 3 if the milestones are not met at the end of the second year but are met at the end of the third year). The portion of Performance Rights that are subject to the Absolute TSR will only vest and become exercisable into Shares as per the vesting schedule set out below:

- 50% at 33 cents
- 100% at 40 cents
- the difference between 50% and 100% based on a sliding scale between 33 cents and 40 cents.

Measurement

The number of Performance Rights which vest is determined by assessing the Share price performance of the Company. The VWAP of the Shares in the one-month preceding the Performance Dates will be used in calculating Share price performance over the Performance Dates.

The Performance Period will run from 1 July 2021 to 30 June 2024 and the Performance Dates are 30 June 2023 and 30 June 2024. The Nomination and Remuneration Committee will test performance against the Performance Hurdles to determine whether the Performance Rights are eligible to vest shortly after the end of Performance Dates.

If the Performance Hurdles are not satisfied by the end of the Performance Period, the Performance Rights will lapse unless the Nomination and Remuneration Committee exercises its discretion to waive the Performance Hurdle in whole or in part.

There is no re-testing of the Performance Hurdles.

Cessation of employment

Where Mr Lukatsky ceases employment as a 'bad leaver' (which includes by resignation or dismissal for cause or poor performance), unvested Performance Rights will immediately lapse and any vested Performance Rights may be exercised within 60 days of ceasing employment if permitted by the Company's securities dealing policy, or within 60 days of restrictions ceasing to apply under the Company's securities dealing policy. Vested Performance Rights that are not exercised by this time will lapse.

In all other circumstances, a pro rata portion of unvested Performance Rights will remain on foot and will vest and become exercisable in the normal course subject to the original conditions, as though Mr Lukatsky had not ceased employment. The remaining portion of unvested Performance Rights will lapse immediately. Any vested Performance Rights will remain on foot and may be exercised until the expiry date.

However, the Board retains discretion under the EIP to determine to treat any unvested Performance Rights other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment.

Change of control

If a corporate control event is likely to occur, the Board has a discretion to determine that some or all of the Performance Rights vest and become exercisable or lapse. If a corporate control event occurs prior to the Board exercising its discretion, all unvested Performance Rights granted will automatically vest and become exercisable into Shares, irrespective of whether Performance Hurdles have been achieved.

Clawback

Under the EIP, the Board has broad "clawback" powers to determine that the Performance Rights lapse or any Shares allocated on vesting are forfeited in certain circumstances, including for example in the case of a breach of duties to a Group company or fraud or misconduct.

Restrictions on dealing

Mr Lukatsky may not deal, with or enter into any arrangement for the purpose of hedging, Performance Rights prior to vesting.

Legal Requirements – ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires that the Company not permit a Director or their associates to acquire securities under an "employee incentive scheme" without Shareholder approval (unless an exception applies). The Board is therefore seeking Shareholder approval to grant Performance Rights to Mr Lukatsky on the terms set out above and under the EIP.

The EIP constitutes an "employee incentive scheme" under the ASX Listing Rules.

Disclosures for the purposes of ASX Listing Rule 10.14

The following disclosures are made for the purposes of ASX Listing Rule 10.15:

- (a) the related party is Mr Lukatsky;

- (b) approval for Mr Lukatsky is sought under ASX Listing Rule 10.14.1, being a Director of the Company;
- (c) the maximum number of Performance Rights to be granted is 6,000,000;
- (d) Mr Lukatsky's remuneration package is as follows:

Director	Nature	Remuneration Package Details
Mr Solomon Lukatsky	Managing Director	Effective 1 July 2020, fixed remuneration of \$400,000 per annum, plus 10% superannuation. Mr Lukatsky is entitled to a potential short-term incentive (STI) of up to \$200,000, representing 50% of his base remuneration (excluding superannuation).

In addition, it is noted that Mr Lukatsky's security interests in the Company are currently as follows (not including any potential grant of Performance Rights, the subject of Resolution 8): Mr Lukatsky's security interests in the Company are:

- i. 3,301,921 fully paid ordinary shares
 - ii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.15 (15 cents) per option, expiring 1 July 2023.
 - iii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.18 (18 cents) per option, expiring 1 July 2023.
 - iv. 3,000,000 unlisted options, vesting on 1 July 2022 exercisable at \$0.215 (21.5 cents) per option, expiring 1 July 2023.
 - v. 914,913 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 12 November 2023
 - vi. 457,456 performance rights, vesting subject to both the share price of the Company reaching \$0.30 (30 cents) at any time between grant and 1 July 2023, and continued employment up until 1 July 2023, expiring 12 November 2023.
- (e) The total number of securities previously issued to Mr Lukatsky under the EIP are 9,000,000 unlisted options at nil acquisition price and 1,372,369 performance rights at nil acquisition price;
 - (f) the Performance Rights will have a three-year performance period from 1 July 2021 to 30 June 2024. The total value the entity attributes to these securities is \$1,428,000 based off a 30-day VWAP to 22 October 2021 assuming the maximum number of Performance Rights vest (30-day VWAP to 22 October 2021 was \$0.238. Subject to the satisfaction of the vesting and exercise conditions described above, Mr Lukatsky will receive one Share in the Company for each Performance Right exercised;
 - (g) the entity expects to issue the Performance Rights within one month after the date of the meeting, and in any event, no later than 3 years after the date of the meeting;
 - (h) the Performance Rights will be granted to Mr Lukatsky at nil issue price;
 - (i) the material terms of the plan can be found in Annexure 1 to this Explanatory Statement.
 - (j) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Lukatsky;
 - (k) details of any Performance Rights issued under the EIP will be published in each Annual Report of the Company relating to a period in which the Performance Rights have been issued in addition to a statement that the securities were issued under ASX Listing Rule 10.14;
 - (l) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the EIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
 - (m) If approval is given under ASX Listing Rule 10.14, approval will not be sought under ASX Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the issue of the Performance Rights and Mr Sol Lukatsky will receive the number of Performance Rights set out above, with the increase in his remuneration and potential increase in this shareholding as described above.

If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Sol Lukatsky, and he will not receive the Performance Rights or potential shareholdings as described above.

Termination Benefits approval – section 200B and s200E Corporations Act

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Mr Lukatsky's unvested Performance Rights in the event Mr Lukatsky ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefits for the purposes of the Corporations Act. Where Mr Lukatsky ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Lukatsky's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the resolution is passed until the conclusion of the 2024 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Performance Rights given in connection with Mr Lukatsky ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Lukatsky prior to cessation of his employment;
- the date when, and circumstances in which, Mr Lukatsky ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Lukatsky; and
- the market price of the Company's shares on ASX on the date Shares are provided to Mr Lukatsky upon vesting of the Performance Rights.

Directors Recommendation

The Board (with Mr Lukatsky abstaining) recommends that Shareholders vote in favour of Resolution 8.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 9: Approval to Grant FY22 Performance Rights to Mr Mark Dioguardi

Background

Resolution 9 of this Notice seeks Shareholder approval to grant 5,000,000 Performance Rights to Mr Mark Dioguardi as his FY22 long term incentive on the terms described below and in accordance with the Company's Employee Incentive Plan (**EIP**), as well as approval for the issue of any Shares on vesting and exercise of those Performance Rights.

These Performance Rights are proposed to be granted to Mr Dioguardi as a once-off award in lieu of all future LTI awards in the period FY22 to FY24, in order to further align his interests with the interests of Shareholders.

As the Performance Rights will form part of Mr Dioguardi's remuneration, they will be granted for no cash payment and there will be no amount payable on vesting. Each vested Performance Right entitles Mr Dioguardi to be issued one ordinary fully paid share in the Company, or equivalent cash payment, on vesting. Prior to vesting, Performance Rights do not entitle Mr Dioguardi to any dividends or voting rights.

The Board believes that in order to compensate Mr Dioguardi in line with current market practices and remunerate him appropriately given the rapid growth of the Company, Performance Rights provide an appropriate and meaningful form of remuneration that aligns with Shareholder interests. The Board believes that the achievement of the performance hurdles attached to these Performance Rights will be to the benefit of all Shareholders. In particular, the Board considers that the value attributed to the Performance Rights (as described below) and their associated terms and conditions represent reasonable remuneration for Mr Dioguardi as if the Company and Mr Dioguardi were dealing at arm's length.

Approval is being sought in this Resolution in respect of the proposed grant of Performance Rights to Mr Dioguardi under the EIP as a component of his overall executive remuneration package.

Terms of Performance Rights

A total of 5,000,000 Performance Rights will be granted to Mr Dioguardi under the EIP, subject to Shareholder approval. The vesting of the Performance Rights is contingent on the satisfaction of the performance hurdles outlined below over a three-year performance period commencing 1 July 2021 and ending on 30 June 2024 (**Performance Period**).

LTI Performance Hurdles

The Performance Rights are subject to the satisfaction of the following Performance Hurdles:

- (a) 50% of the Performance Rights vest based on satisfaction of a relative Total Shareholder Return ("**Relative TSR**") performance hurdle by measurement against a peer group; and
- (b) 50% of the Performance Rights vest based on absolute total shareholder return ("**Absolute TSR**") performance of the Company.

Relative TSR

50% of the Performance Rights that are subject to the Relative TSR performance hurdle will be eligible to vest and become exercisable into Shares, assuming the relevant performance hurdles are met, at the end of year 2, and the balance at the end of year 3 (with the opportunity for a catch up at the end of year 3 if the milestones are not met at the end of the second year but are met at the end of the third year).

The Relative TSR would only be achieved subject to a minimum share price of \$0.33 (33 cents). The vesting schedule would be as set out below:

- If the TSR is at the 50th percentile of the peer group, 65% of the rights will vest;
- If the TSR is at the 90th percentile of the peer group, 100% of the rights will vest; and
- If the TSR is between the 50th and 90th percentile, a pro rata number of rights will vest.

Measurement

The number of Performance Rights which vest is determined by assessing the performance of the Company, as measured by TSR relative to a comparator group of companies. The VWAP of the Shares in the one-month preceding the Performance Dates compared to the VWAP of the Shares in the one month preceding the commencement of the Performance Period (which commenced on 1 July 2021), will be used in calculating TSR over the Performance Dates. The TSR incorporates capital returns as well as dividends notionally reinvested and is considered the most appropriate means of measuring the

Company's performance.

The Performance Period will run from 1 July 2021 to 30 June 2024 and the Performance Dates are 30 June 2023 and 30 June 2024.

Absolute TSR

50% of the Performance Rights that are subject to the Absolute TSR performance hurdle will be eligible to vest and become exercisable into Shares, assuming the relevant performance hurdles are met, at the end of year 2, and the balance at the end of year 3 (with the opportunity for a catch up at the end of year 3 if the milestones are not met at the end of the second year but are met at the end of the third year). The portion of Performance Rights that are subject to the Absolute TSR will only vest and become exercisable into Shares as per the vesting schedule set out below:

- 50% at 33 cents
- 100% at 40 cents
- the difference between 50% and 100% based on a sliding scale between 33 cents and 40 cents.

Measurement

The number of Performance Rights which vest is determined by assessing the Share price performance of the Company. The VWAP of the Shares in the one-month preceding the Performance Dates will be used in calculating Share price performance over the Performance Dates.

The Performance Period will run from 1 July 2021 to 30 June 2024 and the Performance Dates are 30 June 2023 and 30 June 2024. The Nomination and Remuneration Committee will test performance against the Performance Hurdles to determine whether the Performance Rights are eligible to vest shortly after the end of Performance Dates.

If the Performance Hurdles are not satisfied by the end of the Performance Period, the Performance Rights will lapse unless the Nomination and Remuneration Committee exercises its discretion to waive the Performance Hurdle in whole or in part.

There is no re-testing of the Performance Hurdles.

Cessation of employment

Where Mr Dioguardi ceases employment as a 'bad leaver' (which includes by resignation or dismissal for cause or poor performance), unvested Performance Rights will immediately lapse and any vested Performance Rights may be exercised within 60 days of ceasing employment if permitted by the Company's securities dealing policy, or within 60 days of restrictions ceasing to apply under the Company's securities dealing policy. Vested Performance Rights that are not exercised by this time will lapse.

In all other circumstances, a pro rata portion of unvested Performance Rights will remain on foot and will vest and become exercisable in the normal course subject to the original conditions, as though Mr Lukatsky had not ceased employment. The remaining portion of unvested Performance Rights will lapse immediately. Any vested Performance Rights will remain on foot and may be exercised until the expiry date.

However, the Board retains discretion under the EIP to determine to treat any unvested Performance Rights other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment.

Change of control

If a corporate control event is likely to occur, the Board has a discretion to determine that some or all of the Performance Rights vest and become exercisable or lapse. If a corporate control event occurs prior to the Board exercising its discretion, all unvested Performance Rights granted will automatically vest and become exercisable into Shares, irrespective of whether Performance Hurdles have been achieved.

Clawback

Under the EIP, the Board has broad "clawback" powers to determine that the Performance Rights

lapse or any Shares allocated on vesting are forfeited in certain circumstances, including for example in the case of a breach of duties to a Group company or fraud or misconduct.

Restrictions on dealing

Mr Dioguardi may not deal, with or enter into any arrangement for the purpose of hedging, Performance Rights prior to vesting.

Legal Requirements – ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires that the Company not permit a Director or their associates to acquire securities under an “employee incentive scheme” without Shareholder approval (unless an exception applies). The Board is therefore seeking Shareholder approval to grant Performance Rights to Mr Dioguardi on the terms set out above and under the EIP.

The EIP constitutes an “employee incentive scheme” under the ASX Listing Rules.

Disclosures for the purposes of ASX Listing Rule 10.14

The following disclosures are made for the purposes of ASX Listing Rule 10.15:

- (a) the related party is Mr Dioguardi;
- (b) approval for Mr Dioguardi is sought under ASX Listing Rule 10.14.1, being a Director of the Company;
- (c) the maximum number of Performance Rights to be granted is 5,000,000;
- (d) Mr Dioguardi’s remuneration package is as follows:

Director	Nature	Remuneration Package Details
Mr Mark Dioguardi	Chief Operating Officer and Executive Director	Effective 1 July 2020, fixed remuneration of \$330,000 per annum, plus 10% superannuation. Mr Dioguardi is entitled to a potential short-term incentive (STI) of up to \$110,000, representing 33.3% of his base remuneration (excluding superannuation).

In addition, it is noted that Mr Dioguardi’s security interests in the Company are currently as follows (not including any potential grant of Performance Rights, the subject of Resolution 9):

Mr Dioguardi’s security interests in the Company are:

- vii. 1,444,128 fully paid ordinary shares
 - viii. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.15 (15 cents) per option, expiring 1 July 2023.
 - ix. 3,000,000 unlisted options, vesting on 1 July 2022, exercisable at \$0.18 (18 cents) per option, expiring 1 July 2023.
 - x. 3,000,000 unlisted options, vesting on 1 July 2022 exercisable at \$0.215 (21.5 cents) per option, expiring 1 July 2023.
 - xi. 103,844 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 18 February 2022.
 - xii. 503,202 performance rights, vesting on satisfaction of certain performance hurdles over a three-year period, expiring 12 November 2023.
 - xiii. 356,816 performance rights, vesting subject to both the share price of the Company reaching \$0.30 (30 cents) at any time between grant and 1 July 2023, and continued employment up until 1 July 2023, expiring 12 November 2023.
- (e) The total number of securities previously issued to Mr Dioguardi under the EIP are 9,000,000 unlisted options at nil acquisition price and 1,380,018 performance rights at nil acquisition price;
 - (f) the Performance Rights will have a three-year performance period from 1 July 2021 to 30 June 2024. The total value the entity attributes to these securities is \$1,190,000 based off a 30-day

VWAP to 22 October 2021 assuming the maximum number of Performance Rights vest (30-day VWAP to 22 October 2021 was \$0.238. Subject to the satisfaction of the vesting and exercise conditions described above, Mr Dioguardi will receive one Share in the Company for each Performance Right exercised;

- (g) the entity expects to issue the Performance Rights within one month after the date of the meeting, and in any event, no later than 3 years after the date of the meeting;
- (h) the Performance Rights will be granted to Mr Dioguardi at nil issue price;
- (i) the material terms of the plan can be found in Annexure 1 to this Explanatory Statement.
- (j) no loan will be made by the Company in relation to the grant of Performance Rights to Mr Dioguardi;
- (k) details of any Performance Rights issued under the EIP will be published in each Annual Report of the Company relating to a period in which the Performance Rights have been issued in addition to a statement that the securities were issued under ASX Listing Rule 10.14;
- (l) any additional persons referred to in Listing Rule 10.14 who become entitled to participate in the EIP after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14; and
- (m) If approval is given under ASX Listing Rule 10.14, approval will not be sought under ASX Listing Rule 7.1.

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Performance Rights and Mr Mark Dioguardi will receive the number of Performance Rights set out above, with the increase in his remuneration and potential increase in this shareholding as described above.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Mark Dioguardi, and he will not receive the Performance Rights or potential shareholdings as described above.

Termination Benefits approval – section 200B and s200E Corporations Act

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to determine to accelerate vesting of some or all of Mr Dioguardi's unvested Performance Rights in the event Mr Dioguardi ceases employment in 'good leaver' circumstances being cessation other than due to resignation or dismissal for cause or poor performance and for the benefit not to be a termination benefits for the purposes of the Corporations Act. Where Mr Dioguardi ceases as a 'bad leaver' (which includes by resignation or dismissal for poor performance), all unvested Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Dioguardi's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the resolution is passed until the conclusion of the 2024 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the Performance Rights given in connection with Mr Dioguardi ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of Performance Rights held by Mr Dioguardi prior to cessation of his employment;
- the date when, and circumstances in which, Mr Dioguardi ceases employment;
- whether performance hurdles are waived or (if not waived) met, and the number of Performance Rights that vest (which could be all of the Performance Rights held by Mr Dioguardi; and
- the market price of the Company's shares on ASX on the date Shares are provided to Mr Dioguardi upon vesting of the Performance Rights.

Directors Recommendation

The Board (with Mr Dioguardi abstaining) recommends that Shareholders vote in favour of Resolution 9.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

Resolution 10: Renewal of Employee Incentive Plan

Background

Resolution 10 seeks shareholder approval to re-approve the existing Employee Incentive Plan (the "Plan") previously approved by the shareholders at the Annual General Meeting on 20 November 2018.

The Plan is designed to align the interests of eligible employees more closely with the interests of the Company by providing an opportunity for eligible employees to receive an equity interest in the Company. The Plan enables the Board to offer eligible employees a number of equity related interests, including Shares, Options and Performance Rights.

Since 20 November 2018, the date on which Shareholders approved the Plan, the Company has issued 22,709,335 securities under the Plan, of which 18,000,000 are Unlisted Options, 4,539,835 are Performance Rights, and 169,500 are Shares. Currently, those 18,000,000 Unlisted Options, and 3,610,859 of the Performance Rights are still on issue pursuant to the Plan.

Approval is sought to issue up to 32,820,027 equity securities (shares, options or other rights including performance rights each conditionally entitling the applicable holder to one fully paid ordinary shares upon exercise or achievement of the applicable milestone). Any additional issues under the Plan above that number would require further shareholder approval, unless the total number of securities issued, other than issues to certain parties whose participation in the Plan is excluded from the threshold by operation of the Corporations Act 2001 or the ASX Listing Rules, does not exceed 5% of the then issued shares of the Company.

The objectives of the Plan are to:

- provide eligible employees with an additional incentive to work to improve the performance of the Company;
- attract and retain eligible employees essential for the continued growth and development of the Company;
- promote and foster loyalty and support amongst eligible employees for the benefit of the Company;
- enhance the relationship between the Company and eligible employees for the long-term mutual benefit of all parties; and
- provide eligible employees with the opportunity to acquire shares, options or rights in the Company, in accordance with the Plan.

A summary of material terms of the Plan is set out as follows:

- the EIP sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature;
- in making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver";

- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares;
- the total number of Shares that would be issued were each Option, Performance Right and Share under the EIP exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIP, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIP will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares;
- in respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration;
- in the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation; and
- the Board is granted a certain level of discretion under the EIP, including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

A copy of the Plan is available to shareholders free of charge on request.

ASX Listing Rules Chapter 7

ASX Listing Rule 7.1 requires that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.2 exception 13 provides an exception to ASX Listing Rule 7.1 for securities issued under an employee incentive scheme within 3 years after shareholder approval of the scheme. The Company therefore seeks approval of the Plan under ASX Listing Rule 7.2 Exception 13 so that issues of securities under the Plan do not impede the capacity of the Company to issue up to a further 15% of its capital without shareholder approval.

Corporations Act

Approval is also sought under Resolution 10 for the purposes of sections 259B and 260C of the Corporations Act 2001 (Cth).

The Plan provides for the Company to take security over shares issued under the Plan, and to place restrictions on transfer and voting which may also constitute taking security over its own shares. Section 259B(1) of the Corporations Act provides that a company must not take security over shares in itself except as permitted by the Corporations Act. Section 259B(2) provides that the Company may take security over shares in itself under an employee share scheme that has been approved by

shareholders at a general meeting. Resolution 10 seeks approval of the Plan for the purposes of section 259B(2) of the Corporations Act.

Under section 260C(4) of the Corporations Act, a company may financially assist a person to acquire its shares if the financial assistance is given under an employee share scheme that is approved by shareholders at a general meeting. The Plan provides that the Company may make loans in respect of shares or other securities issued or to be acquired under the Plan and/or acquire shares or other securities to be held on trust for eligible participants. This may be considered to be the Company providing financial assistance for the acquisition of its own shares or other securities. Accordingly, Resolution 10 seeks approval of the Plan for the purposes of section 260C(4) of the Corporations Act.

Directors Recommendation

As the Directors of the Company are excluded from voting pursuant to the Listing Rules, they make no recommendation to the shareholders in respect of the EIP.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

SPECIAL BUSINESS

Resolution 11: Approval of 10% Placement Facility

Background

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

Listing Rule 7.1A enables an eligible entity to issue up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity. Note however that if, on the date of this Meeting, the market capitalisation of the Company exceeds \$300 million or the Company has been included in the S&P/ASX 300 Index, then this Resolution will no longer be effective and will be withdrawn.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue equity securities under the 10% Placement Facility. The effect of this Resolution is to allow the Directors to issue equity securities under Listing Rule 7.1A during the 10% Placement Period (as defined below) without, or in addition to, using the Company's 15% placement capacity under Listing Rule 7.1.

Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences on the date of this Annual General Meeting and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of this Annual General Meeting;
- (ii) the time and date of the Company's next Annual General Meeting; and
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

The Company will only issue and allot the equity securities approved under the 10% Placement Facility during the 10% Placement Period.

Outcome of this Resolution

If Shareholders approve this Resolution:

- the number of equity securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below); and
- the Company will be able to issue equity securities up to the combined 25% limits in Listing Rules 7.1 and 7.1A without further shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without shareholder approval set out in Listing Rule 7.1.

Formula for calculating 10% Placement Facility

The maximum number of equity securities that may be issued by the Company under the 10% Placement Facility pursuant to Listing Rule 7.1A.2 is calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):

- plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;
- plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - i) the agreement was entered into before the commencement of the relevant period; or
 - ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rule 7.1 or rule 7.4;
- plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rules 7.1 or 7.4;
- plus the number of partly paid shares that became fully paid in the relevant period;
- less the number of fully paid shares cancelled in the relevant period.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

The ability of an entity to issue equity securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1. The actual number of equity securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula stated above.

Type and number of equity securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of the Notice, has on issue one class of quoted equity securities, being Shares as follows:

- 656,400,557 fully paid ordinary shares

Minimum issue price and cash consideration

The equity securities will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the equity securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the equity securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

Purpose of the funds raised

The purposes for which the funds raised by an issue under the 10% Placement Facility may be used by the Company include:

- (i) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
- (ii) continued expenditure on the Company's current business and/or general working capital.

Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the dilution table below.

Shareholders may be exposed to economic risk and voting dilution, including the following:

- (i) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of the Annual General Meeting; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The dilution table shows the hypothetical dilution of existing Shareholders on the basis of the market price of Shares as at 22 October 2021 (**Current Share Price**) and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The dilution table also shows:

- two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.1350 50% decrease in Current Share Price	\$ 0.270 Current Share Price	\$0.540 100% increase in Current Share Price
Current Variable A 656,400,557 Shares	10% Voting Dilution	65,640,056 Shares		
	Funds raised	\$8,861,408	\$17,722,815	\$35,445,630
50% increase in current Variable A 984,600,836 Shares	10% Voting Dilution	98,460,084 Shares		
	Funds raised	\$13,292,111	\$26,584,223	\$53,168,445
100% increase in current Variable A 1,312,801,114 Shares	10% Voting Dilution	131,280,111 Shares		
	Funds raised	\$17,722,815	\$35,445,630	\$70,891,260

This dilution table has been prepared on the following assumptions:

- The Company issues the maximum number of equity securities available under the 10% Placement Facility;
- No Options or Performance Rights are exercised into Shares or other convertible securities are converted to Shares before the date of the issue of the Equity Securities;
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of equity securities under the 10% Placement Facility consists only of Shares.
- The Current Share Price is \$0.27 being the closing price of the Shares on ASX on 22 October 2021.

Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to relevant factors including, but not limited to, the following:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

Previous issues

Information about equity securities issued under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting:

- (i) The total number of equity securities issued or agreed to be issued under rule 7.1A.2 in that 12-month period: 54,026,341 fully paid ordinary shares, issued 8 April 2021;
- (ii) Percentage they represent of the total number of equity securities on issue at the commencement of that 12-month period: 9.99%
- (iii) In relation to the issue made on 8 April 2021:
- the securities were issued to clients of Shaw and Partners who are institutional and sophisticated investors. There were no participants in this issue that were investors required to be disclosed under ASX Guidance Note 21;
 - the securities issued were 54,026,341 fully paid ordinary shares;
 - the issue price was \$0.33 (33 cents) per share, which represented a 5.7% discount to the most recent closing price prior to the announcement on 31 March 2021;
 - Cash consideration from issue
 - Total cash consideration received: \$17,828,692.53;
 - Funds raised from the Placement will fund the acquisition of Nexgen and Business Telecom, strengthen the Company's balance sheet, allow for expansion of products, infrastructure and provide general working capital and pay the costs of the Placement.
- (iv) the Company has not agreed to issue any Equity Securities under Rule 7.1A.2 in the 12-month period preceding the date of the Meeting, other than those referred to above; and
- (v) the Company has not agreed, before the 12-month period preceding the date of the Meeting, to issue any Equity Securities under Rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

Special Resolution

The ability to issue equity securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution. This means it requires approval of 75% of the votes cast by Shareholders present or represented, and eligible to vote.

Directors Recommendation

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

See Note 6 for voting exclusions on this resolution.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**10% Placement Facility**” has the meaning as defined in the Explanatory Statement for Resolution 11;

“**10% Placement Period Facility**” has the meaning as defined in the Explanatory Statement for Resolution 11;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2021;

“**ASIC**” means the Australian Securities and Investments Commission;

“**Associate**” has the meaning given to it in the Listing Rules;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDT**” means Australian Eastern Daylight Standard Time.

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” or “**Chair**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means Spirit Technology Solutions Ltd ACN 089 224 402;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the *Corporations Act 2001* (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**EIP**” means the Employee Incentive Plan;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**NED**” means each of the Non-Executive Directors of the Company;

“**Nomination and Remuneration Committee**” means the Nomination and Remuneration Committee of the Company;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Performance Date**” means the final day of the Performance Period;

“**Performance Rights**” means the performance rights issue pursuant to, and in accordance with the terms of, the Employee Incentive Plan;

“**Performance Hurdles**” has the meaning given to it in the Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of Spirit Technology Solutions Ltd for the financial year ended 30 June 2021 and which is set out in the 2021 Annual Report.

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“**VWAP**” means volume weighted average price.

For personal use only

ANNEXURE 1
MATERIAL TERMS OF EMPLOYEE INCENTIVE PLAN ('EIP')

- the EIP sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature;
- in making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver";
- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares;
- the total number of Shares that would be issued were each Option, Performance Right and Share under the EIP exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIP, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIP will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares;
- in respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration;
- in the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation; and
- the Board is granted a certain level of discretion under the EIP, including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **2.00pm (AEDT) on Saturday, 27 November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

VIRTUAL AGM

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the AGM.

The virtual meeting can be attended using the following details:

When: Monday, 29 November 2021 at 2:00pm (AEDT)

Topic: Spirit Technology Solutions Ltd – Annual General Meeting

Register in advance for the virtual meeting:

https://us02web.zoom.us/webinar/register/WN_c-NmijT7SsaqWfyLi1YxSA

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

COMPLETE AND RETURN THIS FORM AS INSTRUCTED ONLY IF YOU DO NOT VOTE ONLINE

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Spirit Technology Solutions Ltd, to be held at **2.00 pm (AEDT) on Monday, 29 November 2021** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

[illegible]

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 6, 7, 8, 9 and 10 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 6, 7, 8, 9 and 10 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Resolutions		For	Against	Abstain	Resolutions		For	Against	Abstain
1.	Adoption of Remuneration Report	☐	☐	☐	7.	Approval of change to the terms of grant of the 2020 Performance Rights previously issued to Mr Mark Dioguardi	☐	☐	☐
2.	Re-election of Mr James Joughin as a Director of the Company	☐	☐	☐	8.	Approval to Grant FY22 Performance Rights to Mr Solomon Lukatsky	☐	☐	☐
3.	Ratification of Prior Issue of 1,024,218 Shares	☐	☐	☐	9.	Approval to Grant FY22 Performance Rights to Mr Mark Dioguardi	☐	☐	☐
4.	Ratification of Prior Issue of 1,648,142 Shares	☐	☐	☐	10.	Renewal of Employee Incentive Plan	☐	☐	☐
5.	Ratification of Prior Issue of 1,386,813 Shares	☐	☐	☐	11.	Special Resolution Approval of 10% Placement Facility	☐	☐	☐
6.	Approval of change to the terms of grant of the 2020 Performance Rights previously issued to Mr Solomon Lukatsky	☐	☐	☐					

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1

Securityholder 2

Securityholder 3

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Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name:

[illegible]

Email Address:

[illegible]

Contact Daytime Telephone

[illegible]

Date (DD/MM/YY)

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

STEP 3: Sign Here + Contact Details