

ASX Announcement

29 April 2024

2024 Annual General Meeting

In accordance with ASX Listing Rule 3.17, please see **attached** copies of the following documents:

- Notice of 2024 Annual General Meeting;
- Proxy Form; and
- A letter to shareholders regarding arrangements for the 2024 Annual General Meeting as despatched to shareholders in lieu of the Notice of Meeting.

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

-ENDS-

For more information, please contact:

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About Elsieht

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

For personal use only

Elsight Limited
(ACN 616 435 753)

Notice of Annual General Meeting

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

Date: **Thursday, 30 May 2024**

Time: **8:00am (AEST)**

Venue: **The Boardroom of Gleneagle Securities, Level 27/ 25 Bligh Street, Sydney NSW 2000**

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

Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

Business

Financial Statements and Reports

To receive and consider the Company's Annual Financial Report, including the Directors' Report and the Auditor's Report for the year ended 31 December 2023.

1. Resolution 1 - Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as a **non-binding ordinary resolution**:

"That the Company adopt the remuneration report for the year ended 31 December 2023 in accordance with section 250R(2) of the Corporations Act 2001 (Cth)."

Notes:

The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 - Re-Election of Mr Joshua (Jim) Landau as a Director of the Company

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

"That, for the purpose of clause 14.2 of the Company's Constitution, Mr Joshua (Jim) Landau a Director, retires by rotation, and being eligible, be re-elected as a Director."

3. Resolution 3 - Ratification of Appointment of Auditor

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

"That, having received ASIC consent for BDO Audit (WA) Pty Ltd, to resign as the auditor of the Company, for the purposes of sections 327B and 327C of the Corporations Act 2001 (Cth), and for all other purposes, Shareholders approve and ratify the appointment of RSM Australia Partners as auditor of the Company."

4. Resolution 4 - Approval of Additional 10% Placement Capacity

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

"That for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities of up to 10% of the total issued share capital of the Company (at the time of the issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- a. any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue, except a benefit solely by reason of being a holder of ordinary securities in the Company; or
- b. an associate of that person or those persons.

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

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

Note: In accordance with ASX Listing Rule 14.11.1 and the relevant note under that rule concerning ASX Listing Rule 7.1A, as at the date of this Notice it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded.

5. Resolution 5 - Renewal of Proportional Takeover Provisions

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

"That, for the purposes of section 648G of the Corporations Act 2001 (Cth), the proportional takeover approval provisions in Rule 36 of the Company's Constitution are renewed for a period of three years from the date of this Meeting."

Other information

An Explanatory Statement accompanies and forms part of this Notice.

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

Voting by proxy

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

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

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

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

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

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

If you appoint the Chairman of the Meeting as your proxy or the Chairman of the Meeting is appointed as your proxy by default, and you do not provide any voting directions on your Proxy Form, by completing and returning the Proxy Form, you will be expressly authorising the Chairman of the Meeting to cast your vote as he sees fit. If you intend to appoint a member of the Key Management Personnel (other than the Chairman) or any of their Closely Related Parties as your proxy on Resolution 1, please ensure that you direct them on how to vote on Resolution 1.

Proxy Forms must be submitted **no later than 8:00am (AEST) on Tuesday, 28 May 2024** in one of the following ways:

- (a) by mail to the Company's share registry, Automic Registry Services, GPO Box 5193, Sydney NSW 2001
- (b) by fax to Automic Registry Services on +61 2 8583 3040
- (c) by email to meetings@automicgroup.com.au
- (d) online via <https://investor.automic.com.au/#/loginsah>
- (e) by hand delivery at Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

The Proxy Form has been enclosed. Please read all instructions carefully before completing the Proxy Form.

Attendance and Voting

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

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

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from Automic will need to verify your identity. You can register from 8:00am (AEST) on the day of the Meeting.

Entitlement to vote

In accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Company has determined that for the purposes of the Meeting, Shares will be taken to be held by the persons who held them as registered Shareholders at 7:00pm (AEST) on Tuesday, 28 May 2024.

Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting Intentions

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

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

Questions and Comments by Shareholders at the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions or make comments on the management of the Company at the Annual General Meeting. Relevant written questions must be submitted no later than 5:00pm (AEST) on Thursday, 23 May 2024, via s.mcintosh@acclime.com.

A list of those questions will be available to Shareholders attending the Meeting. A representative who has been designated by the management of the Company will either answer questions at the Meeting or table written answers to them at the Meeting. If written answers are tabled at the Meeting, they will be made available to Shareholders as soon as practicable after the Meeting.

Similarly, a reasonable opportunity will be given to Shareholders - as a whole - to ask questions to the Company's external Auditor, RSM Australia Partner, relevant to:

- (a) the conduct of the audit;
- (b) the preparation and contents of the audit;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

Shareholders may also submit written questions to RSM Australia Partners if the questions are relevant to the content of RSM Australia Partners' audit report or the conduct of its audit of the Company's financial report for the year ended 31 December 2023.

Relevant written questions to RSM Australia Partners' must be submitted no later than 5:00pm (AEST) on Thursday, 23 May 2024. A list of those questions will be available to Shareholders attending the Meeting. RSM Australia Partners will either answer questions at the Meeting or table written answers to them at the Meeting. If written answers are tabled at the Meeting, they will be made available to Shareholders as soon as practicable after the Meeting.

Please send written questions for RSM Australia Partners to:

By facsimile: +61 3 9602 4709;

Post to: C/ Acclime – PO Box 374, Flinders Lane, VIC 8009; and

Email: s.mcintosh@acclime.com with the email subject line 'ELS 2024 AGM'

By order of the Board

Mark Licciardo
Company Secretary

29 April 2024

**Elsight Limited
(ACN 616 435 753)**

Explanatory Statement

This Explanatory Statement sets out further information regarding the proposed resolutions to be considered by Shareholders of Elsight Limited (**ELS** or the **Company**) at the 2024 Annual General Meeting to be held at 8:00am (AEST) on Thursday, 30 May 2024 at the Boardroom of Gleneagle Securities, Level 27/ 25 Bligh Street, Sydney NSW 2000.

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

Financial Statements and Reports

Under section 317 of the Corporations Act, Elsight is required to lay its Financial Report, Directors' Report and Auditor's Report before its Shareholders at its Annual General Meeting. The Annual Report is submitted for Shareholders' consideration and discussion at the Annual General Meeting as required. Meeting attendees are invited to direct questions to the Chairman and/or the Auditor in respect of any aspect of the Annual Report that they wish to discuss. There is no requirement, either in the Corporations Act or the Company's Constitution, for Shareholders to approve the Annual Report.

Representatives of ELS's auditor, RSM Australia Partners, will be present for discussion purposes on matters of relevance to the audit.

Shareholders can access a copy of the Annual Report on the Company's website at <https://www.elsight.com/investor-relations/>.

Resolution 1 – Adoption of Remuneration Report

Resolution 1 provides Shareholders with the opportunity to vote on Elsight's Remuneration Report. The Remuneration Report is contained in the Directors' Report. Under section 250R(2) of the Corporations Act, Elsight must put the adoption of its Remuneration Report to a vote at its Annual General Meeting.

This vote is advisory only and does not bind the Directors or Elsight.

The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at this Meeting when reviewing Elsight's remuneration policies. If 25% or more of the 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 Elsight's Directors other than the Managing Director must be offered up for election.

At the Company's previous Annual General Meeting the votes cast against the Remuneration Report considered at that Annual General Meeting were less than 25%. Accordingly, a spill resolution is not relevant for this Annual General Meeting.

Key Management Personnel (including Directors) and their Closely Related Parties must not cast a vote on the Remuneration Report unless as holders of directed proxies for Shareholders eligible to vote on Resolution 1.

Board recommendation and undirected proxies.

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 1.

The Chairman of the Meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 1.

Resolution 2 - Re-Election of Mr Joshua (Jim) Landau as a Director of the Company

Clause 14.2 of the Company's Constitution sets out the requirements for determining which Directors are to retire by rotation at an Annual General Meeting. Mr Landau, who has served as a Director since 1 October 2021, retires by rotation and seeks re-election.

Mr Landau has over 40 years' of experience as a technology entrepreneur and mentor and brings significant experience as both a senior leader and director of numerous listed and unlisted companies. He currently serves as a Chair for an Australian TEC group of managing directors from diverse industries and is non-executive director of the private equity Leading Technology Group and Banxa Inc., a listed crypto payments service provider.

Mr Landau was the co-founder of one of Australia's first listed software companies, Software Corporate of Australia, which was listed on the second Board of the ASX and was the Managing Director of Australia's first main board listed IT services company, Datronics Corporation. He was the former chairman of Centricom the developer of the Poli Payments platform, a director of Collaborate Corporation and as director or advisor to several other cutting edge technology companies, including those involved with the emerging UAV industry.

Having regard to the ASX Principles, the Company's Board considers Mr Landau as an independent Director.

Board recommendation and undirected proxies.

The Board (other than Mr Landau) recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chairman of the Meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 2.

Resolution 3 – Ratification of Appointment of Auditor

In June 2023, the Board of Elsieight appointed RSM Australia Partners as auditor following ASIC's consent to the resignation of BDO Audit (WA) Pty Ltd in accordance with section 329(5) of the Corporations Act. In accordance with section 327C of the Corporations Act, RSM Australia Partners holds office until the Company's next Annual General Meeting, being this Meeting.

RSM Australia Partners has conducted the audit of the financial statements for the financial year ended 31 December 2023. The Board has also noted that RSM Australia Partners is registered as an auditor under section 1280 of the Corporations Act, and is a well established firm, with the expertise and skill necessary to meet the Company's requirements.

In accordance with section 328B of the Corporations Act which requires a member to nominate the auditor, a Shareholder has nominated RSM Australia Partners. A copy of the nomination of RSM Australia Partners is included in this Notice as required by the Corporations Act at Annexure A. RSM Australia Partners has given consent to act as the Company's auditor.

RSM Australia Partners confirms that it only provides audit services to the Company and the Company confirms that it is unaware of any matter or circumstances that would give rise to a conflict of interest situation, as defined in section 324CD of the Corporations Act, in relation to the Company.

Board recommendation and undirected proxies.

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 3. The Chairman of the Meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 3.

Resolution 4 – Approval of Additional 10% Placement Capacity

ASX Listing Rule 7.1A provides that an eligible entity (as defined below) may seek Shareholder approval by special resolution at its Annual General Meeting to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a period of 12 months after the Annual General Meeting (**10% Placement Capacity**).

This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

If Shareholders approve Resolution 4, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out below).

An eligible entity is one that, as at the date of the relevant Annual General Meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 or less.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of less than \$300,000,000.

Any equity securities issued must be in the same class as an existing class of quoted equity securities. The Company currently has one class of quoted equity securities on issue, being Shares (ASX Code: ELS).

The number of equity securities that the Company may issue under the approval sought by Resolution 4 will be calculated in accordance with the following formula as set out in ASX Listing Rule 7.1A.2:

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

Where:

A = is the number of shares on issue at the commencement of the relevant period:

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

D = 10%.

E = is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

Minimum Price: Under the ASX Listing Rules, the minimum price at which the equity securities may be issued is 75% of the volume weighted average market price of equity securities in that class, calculated over the 15 ASX 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; or
- (ii) if the equity securities are not issued within 10 ASX trading days of the date in paragraph (i) above, the date on which the equity securities are issued.

Risk of voting dilution: Shareholders should be aware there is a risk of economic and voting dilution that may result from an issue of equity securities under the 10% Placement Capacity, including the risk that:

- (i) the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting where approval is being sought; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the date of issue.

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any equity securities under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of the Shares and the current number of Shares on issue as at the date of this Notice of Meeting. The table also assumes that no options on issue are exercised into Shares before the date of issue of the equity securities.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.¹

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.195 50% decrease in Issue Price	\$0.390 Issue Price	\$0.780 100% increase in Issue Price
Current Variable A 150,687,561	10% Voting dilution	15,068,756	15,068,756	15,068,756
	Funds raised	\$2,938,407	\$5,876,815	\$11,753,630
50% increase in current Variable A 226,031,342	10% Voting dilution	22,603,134	22,603,134	22,603,134
	Funds raised	\$4,407,611	\$8,815,222	\$17,630,445
100% increase in current Variable A 301,375,122	10% Voting dilution	30,137,512	30,137,512	30,137,512
	Funds raised	\$5,876,815	\$11,753,630	\$23,507,260

The table has been prepared on the following assumptions:

- i. The Company issues the maximum number of shares available under ASX Listing Rule 7.1A;
- ii. No Options (including any Options issued under the 10% Placement Capacity) are exercised into Shares before the date of the issue of the equity securities;
- iii. 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 Capacity, based on the Shareholder's holding at the date of the Meeting.
- iv. The table shows only the effect of shares issues under ASX Listing Rule 7.1A and does not factor in the Company's ability to issue up to 15% of its issued capital under ASX Listing Rule 7.1;
- v. The current issue price is \$0.390, being the closing price of the shares on ASX on 8 April 2024;

- vi. The current number of shares on issue is the shares on issue as of 8 April 2024, being 150,687,561.

The table shows:

- i. 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 approval (for example, a pro-rata entitlement issue) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- ii. two examples of where the issue price of shares has decreased by 50% and increased by 100% as against the current market price.

Date of Issue: If Shareholder approval is granted for Resolution 4, then that approval will expire on the earlier of:

- i. the date that is 12 months after the date of the Meeting;
- ii. the time and date of the Company's next Annual General Meeting; or
- iii. the time and date Shareholder approval is granted to a transaction under ASX Listing Rule 11.1.2 (proposed change to nature and scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking),

(10% Placement Period).

The approval under ASX Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

Purpose of Issue under 10% Placement Capacity: The Company may issue equity securities under the 10% Placement Capacity for various purposes including as cash consideration in which case the Company intends to use funds raised to invest in its innovative product development roadmap (as noted in the 2023 Annual Report lodged with ASX on 22 March 2024).

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

Allocation under the 10% Placement Capacity: The allottees of the equity securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of equity securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- i. the purpose of the issue;
- ii. alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- iii. the effect of the issue of the equity securities on the control of the Company;
- iv. the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- v. prevailing market conditions; and
- vi. advice from corporate, financial and broking advisers (if applicable).

Previous Approval under ASX Listing Rule 7.1A: The Company has previously obtained Shareholder approval under ASX Listing Rule 7.1A at the 2023 Annual General Meeting held on Wednesday, 31 May 2023.

Information required under ASX Listing Rule 7.3A.6: The Company has issued nil Shares under ASX Listing Rule 7.1A.2 over the 12 months preceding the date of the Meeting, representing 0.00% of the total number of equity securities on issue at commencement of the 12-month period.

ASX Listing Rule 14.1A: For the purpose of ASX Listing Rule 14.1A:

(i) if Resolution 4 is passed, the Directors will be able to issue equity securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1; and

(ii) if Resolution 4 is not passed, the Directors will not be able to issue equity securities under Listing Rule 7.1A, and will have to either rely on the Company's existing 15% placement capacity under Listing Rule 7.1 (from time to time), or (in the event that the Company's 15% placement capacity is exhausted) the Company will be required to obtain prior shareholder approval under Listing Rules 7.1 before being able to issue such equity securities (which may result in the Company incurring further time and expense).

Board recommendation and undirected proxies.

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 4.

The Chairman of the Meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 4.

Resolution 5 – Renewal of Proportional Takeover Provisions

Section 648G(1) of the Corporations Act 2001 (Cth) provides that a Company's proportional takeover provisions will cease to have effect at the end of three years from the date of incorporation or renewal, as the case may be.

The Constitution of the Company was last amended by Shareholders in 2022. The provisions of proportional takeover have not been renewed and cease to apply.

As per Clause 36.6 of the existing Constitution, Elsie's proportional takeover provisions ceases at the third anniversary of the date of adoption of the last renewal of the Clause 36 of the Constitution.

The Board of Elsie consider that it is in the best interest of Shareholders to renew these provisions in their existing form. Accordingly, a special resolution is being put to Shareholders under section 648G of the Corporations Act 2001 (Cth) to renew clause 36 of the Constitution.

If renewed by Shareholders at this Meeting, clause 36 will operate for three years from the date of the Meeting, subject to further renewal.

Effect of Provisions

The effect of clause 36 of the Constitution, as renewed, will be that where a proportional takeover bid is made for securities in the Company (i.e. a bid is made for a specified proportion, but not all, of each holder's bid class securities), the Directors must convene a meeting of holders of the relevant securities to vote on a resolution to approve that bid. The meeting must be held, and the resolution voted on, at least 14 days before the offer period under the bid ends. To be passed, the resolution must be approved by a majority of votes at the meeting (i.e., greater than 50%), excluding votes by the bidder and its associates. However, the Corporations Act also provides that, if the meeting is not held within the time required, then a resolution to approve the proportional takeover bid will be deemed to have been passed.

If the resolution to approve the proportional takeover bid is passed or deemed to have been passed, the transfer of securities resulting from acceptance of an offer under that bid will be permitted, and the transfers registered, subject to the Corporations Act and the Constitution of the Company. If the resolution is rejected, the registration of any transfer of shares resulting from an offer under the proportional takeover bid will be prohibited, and the bid deemed to be withdrawn.

Clause 36 of the Constitution, as renewed, will not apply to full takeover bids.

Reasons for proposing the Resolution

The Board considers that Shareholders should have the opportunity to vote on a proposed proportional takeover bid.

In the absence of of the Constitution, as renewed, a proportional takeover bid for the Company may enable effective control of the Company to be acquired by a person who has not offered to acquire 100% of the Company's shares (and, therefore, has not offered to pay a 'control premium' that reflects 100% ownership).

As a result, if a proportional takeover bid for the Company is made:

- Shareholders may not have the opportunity to dispose of all their Shares; and
- Shareholders risk becoming part of a minority interest in the Company or suffering loss following such a change of control if the market price of the Company's Shares decreases or the Company's Shares become less attractive and, accordingly, more difficult to sell.

If clause 36 of the Constitution is renewed, the Board considers that this risk will be minimised by enabling Shareholders to decide whether a proportional takeover bid should be permitted to proceed.

Present acquisition proposals

At the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Review of proportional takeover approval provisions

The Corporations Act requires this Explanatory Statement to discuss retrospectively the advantages and disadvantages, for Directors and Shareholders, of the proportional takeover provision proposed to be renewed.

While the proportional takeover approval provisions have been in effect, there have been no takeover bids for the Company, either proportional or otherwise.

Consequently, there are no actual examples against which to review the advantages or disadvantages of the existing proportional takeover approval provisions contained in clause 36 of the Constitution.

The Directors are not aware of any potential takeover bid which was discouraged by clause 36 of the Constitution.

Potential advantages and disadvantages

In addition to a retrospective discussion of the provisions proposed to be renewed, the Corporations Act also requires this Explanatory Statement to discuss the potential future advantages and disadvantages of the proposed rule for both Directors and Shareholders.

The Directors consider that there are no such advantages or disadvantages for them as they remain free to make a recommendation on whether a proportional takeover bid should be accepted.

For Shareholders, the potential advantages of clause 36 of the Constitution, as renewed, are that that they will provide all relevant holders with the opportunity to consider, discuss in a meeting called specifically for the purpose, and vote on whether a proportional takeover bid should be approved. This affords the relevant holders of shares an opportunity to have a say in the future ownership and control of the Company and help the members to avoid being locked into a minority. The Directors believe this will encourage any proportional takeover bid to be structured so as to be attractive to at least a majority of the relevant holders of shares. It may also discourage the making of a proportional takeover bid that might be considered opportunistic. Finally, knowing the view of a majority of the relevant holders of shares may help each individual holder to assess the likely outcome of the proportional takeover bid and decide whether or not to accept an offer under the bid.

On the other hand, a potential disadvantage for Shareholders arising from clause 36 of the Constitution, if renewed, is that proportional takeover bids may be discouraged by the further procedural steps that the rule will entail and, accordingly, this may reduce any takeover speculation element in the price of the Company's securities. Shareholders may be denied an opportunity to sell a portion of their securities at an attractive price where the majority rejects an offer from persons seeking control of the Company.

These advantages and disadvantages of clause 36 have been applicable during the period that the rule was in effect. It should be noted that during the period that clause 36 was in effect, no takeover bid for securities in the Company (whether proportional or otherwise) has been announced or made.

Board recommendation and undirected proxies.

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 5.

The Chairman of the Meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 5.

GLOSSARY

In this Explanatory Statement and the Notice of Meeting:

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 31 December 2023.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney NSW 2000.

ASX Listing Rules means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Associate has the meaning given to it by the ASX Listing Rules.

Auditor's Report means the auditor's report on the Financial Report.

Board means the Board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person appointed to chair the Meeting convened by this 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 Elsie Limited (ACN 616 435 753).

Constitution means the Constitution of the Company.

Corporations Act means the *Corporations Act 2001 (Cth)* as amended or repealed from time to time.

Director means a current 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 contained in the Annual Report.

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

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of 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.

Meeting means the Annual General Meeting of the Company, the subject of this Notice scheduled to occur on Thursday, 30 May 2024.

Notice means this notice of meeting.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the Meeting.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Report.

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

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

Shareholder means a holder of a Share.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the Meeting.

Annexure A: Auditor Nomination Letter from Shareholder

26 April 2024

Elsight Limited
ACN 616 435 753
Level 7
330 Collins Street
Melbourne VIC 3000

RE: Notice of Nomination of Auditor in accordance with section 328B of the Corporations Act 2001 (Cth) (the Act)

I, Howard Andrew Digby being a member of Elsie Limited (ELS or the Company) nominates RSM Australia Partners for appointment to the position of Auditor of the Company at the next Annual General Meeting.

I, Howard Andrew Digby consent to provision of a copy of this Notice to RSM Australia Partners and the distribution of a copy of this notice of nomination as an annexure to the Notice of Meeting and Explanatory Statement for the 2024 Annual General Meeting of the Company as required by section 328B(3) of the Act.

Signed,



Howard Andrew Digby

For personal use only

Your proxy voting instruction must be received by **08.00am (AEST) on Tuesday, 28 May 2024**, 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 Key Management Personnel.

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/#/loginsah> 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:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

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

For personal use only

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Elsie Limited, to be held at **08.00am (AEST) on Thursday, 30 May 2024 at the Boardroom of Gleneagle Securities, Level 27/ 25 Bligh Street, Sydney NSW 2000** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair 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.

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 Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 - Your voting direction

Resolutions	For	Against	Abstain
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Mr Joshua (Jim) Landau as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Renewal of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY)

/

/

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

29 April 2024

Dear Shareholder

ELSIGHT LIMITED - ANNUAL GENERAL MEETING 2024

Elsight Limited ACN 616 435 753 (ASX: ELS) (**Elsight** or the **Company**) is pleased to invite the Shareholders to attend the Annual General Meeting (**AGM** or the **Meeting**) to be held on **Thursday, 30 May 2024 at 8:00am (AEST) at the Boardroom of Gleneagle Securities, Level 27/ 25 Bligh Street, Sydney NSW 2000.**

Notice of Meeting

The Notice of Meeting, the accompanying Explanatory Statement and annexures (**Notice**) are being made available to shareholders electronically under the 'ASX Announcements' section on the Company's website at <https://elsight.com/investor-relations/>. The Company will not be sending out hard copies of the Notice to shareholders unless a shareholder has previously requested a hard copy.

The Notice should be read in its entirety. The Explanatory Statement contains important information about the matters to be considered at the AGM to assist shareholders to determine how to vote on the resolutions set out in the Notice.

Voting

The Company strongly encourages all Shareholders to vote by submitting their Proxy Forms prior to the AGM.

Proxy Forms for the AGM should be lodged before 8:00am (AEST) on Tuesday, 28 May 2024. A copy of your personalised Proxy Form is enclosed.

Proxy Forms received after this time will not be valid for the scheduled Meeting.

Shareholders can also submit, and are encouraged to submit, any questions in advance of the AGM by emailing questions to s.mcintosh@acclime.com with the email subject "ELS – 2024 AGM", by no later than 5:00pm (AEST) on Thursday, 23 May 2024.

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

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

Mark Licciardo
Company Secretary
Elsight Limited