

SOLVAR LIMITED
ABN 63 117 296 143

ANNUAL GENERAL MEETING 2024

The Annual General Meeting of the Company to be held at 2:00 pm
(AEDT) on Thursday 21 November 2024

This meeting will be a hybrid meeting.

To participate online, go to: <http://meetnow.global/solvar2024>

OR

Should you wish to participate in person, the meeting will be held at:

Barclay Room
The QT Melbourne
133 Russell Street
Melbourne Victoria 3000



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Solvar Limited

ABN 63 117 296 143

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of the members of Solvar Limited (“the Company”) will be held on **21 November 2024 at 2:00 PM (AEDT)**.

This year’s Annual General Meeting will be a hybrid meeting, meaning you can choose to attend online or in person:

To participate online:

Please go to: <http://meetnow.global/solvar2024>

The online platform will allow Shareholders to view the meeting, ask questions and vote during the meeting.

To participate in person:

Barclay Room
The QT Melbourne
133 Russell Street
Melbourne VIC 3000

Whether you are attending the meeting in person or online, the Company encourages you to submit a directed proxy vote before the meeting so if for any reason you cannot attend, your vote will be counted. Shareholders can lodge their proxy online by visiting www.investorvote.com.au or complete and return a hard copy to our registry as outlined on the Proxy Form.

Shareholders can also ask questions before the meeting by visiting www.investorvote.com.au OR by sending questions to cosec@solvar.com.au no later than 2.00pm on Tuesday 19 November 2024.

Please note that additional information concerning the proposed Resolutions is contained in the Explanatory Memorandum. The Explanatory Memorandum and the Proxy Form attached to this Notice form part of this Notice.

The Directors have determined that pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on Tuesday 19 November 2024 at 7.00 pm (AEDT).

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Business of Meeting

1. Financial Statements and Reports

To receive the Financial Statements for Solvar Limited for the year ended 30 June 2024, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

You may download a copy of the Annual Report from our website: <https://www.solvar.com.au/investors/annual-reports>

2. Resolution 1 – Remuneration Report

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

“That the Remuneration Report section of the Director’s Report for the Company for the year ended 30 June 2024 be adopted.”

Information on the remuneration report can be found on pages 33 to 43 of the 2024 Annual Report to Shareholders.

3. Resolution 2 – Re-election of Stuart Robertson as Director

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

“That Stuart Robertson having retired by rotation in accordance with clause 64(c) of the Company’s Constitution, being eligible and having offered himself for re-election in accordance with clause 65 (c) of the Company’s Constitution, be re-elected as a Director of the Company.”

4. Resolution 3 – Election of Craig Parker as Director

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

“That Craig Parker having been appointed to fill a casual vacancy in accordance with clause 63 (a) of the Company’s Constitution, being eligible and having offered himself for re-election in accordance with clause 63 (b) of the Company’s Constitution, be re-elected as a Director of the Company.”

5. Resolution 4 – Refresh Employee Equity Plan (EEP)

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

“That, for the purposes of ASX Listing Rule 7.2, Exception 13, the Shareholders approve the issue of securities under the Company’s existing Employee Equity Plan (EEP) (with amendments summarised in section 5.4 of the Explanatory Memorandum), as exception to the requirement to obtain shareholder approval under ASX Listing Rule 7.1.”



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6. Resolution 5 – Refresh Employee Exempt Share Plan (EESP)

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

“That, for the purposes of ASX Listing Rule 7.2, Exception 13, the Shareholders approve the issue of securities under the Company’s existing Employee Exempt Share Plan (EESP) (with amendments summarised in section 6.4 of the Explanatory Memorandum), as exception to the requirement to obtain shareholder approval under ASX Listing Rule 7.1.”

7. Resolution 6 – Issue of Performance Rights to Scott Baldwin under Employee Equity Plan (EEP)

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

“That, pursuant to ASX Listing Rule 10.14, Sections 200B and 200E of the Corporations Act and all other purposes, Shareholders approve the issue of 774,390 Performance Rights to Mr Scott Baldwin under the (“EEP”), together with the Accelerated Exercise Period in respect of those Performance Rights for the purposes of section 200B of the Act on the terms as set out in the EEP and explanatory memorandum.”

8. Other Business

To consider any other business that may legally be brought forward.

Voting Exclusions and Restrictions

Corporations Act

Advisory vote for Resolution 1

Section 250R(2) of the Corporations Act 2001 (Cth) (“the Act”) requires Shareholders to vote on an advisory resolution that the Remuneration Report be adopted.

The Remuneration Report details the remuneration policies for the Company and reports the remuneration arrangements for Directors and Key Management Personnel (identified for the purposes of the Accounting Standards). The Remuneration Report is set out on pages 33 to 43 of the 2024 Annual Report to Shareholders.

The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Board will however 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. Under the Act, if 25% or more of votes that are cast at the meeting are voted against the adoption of the Remuneration Report at two consecutive AGM’s, Shareholders will be required at the second of those AGM’s to vote on an additional resolution (“**Spill Resolution**”) that a further meeting be held within 90 days of the Spill Resolution. At that further meeting, all of the Company’s Directors (other than any Managing Director) must go up for re-election.

Shareholders will recall that not more than 25% of the votes cast were cast against the ‘remuneration resolution’ at the 2023 AGM and therefore, there will be no requirement a Spill Resolution at this AGM.

The Chair will give Shareholders a reasonable opportunity to ask questions about or make comments on the Report.

Voting restrictions & exclusions

Resolution 1

The Company will disregard any votes cast on this **Resolution 1**:

- by or on behalf of a member of the KMP named in the Remuneration Report for the year ended 30 June 2024, or those KMP’s closely related parties, regardless of the capacity in which the vote is cast; OR
- as a proxy by a member of the KMP at the date of the meeting, or that KMP’s closely related parties.

However, a KMP may cast a proxy where the **proxy specifies in writing how the KMP is to vote** (except proxies cast on behalf of another KMP). The Chair is also permitted to vote undirected proxies where the Shareholder expressly authorises the chair to exercise the proxy even though this resolution is connected with the remuneration of the KMP.



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Resolutions 4 & 5

In accordance with the Corporations Act and ASX Listing Rule 14.11.1, the Company will disregard votes :

- cast in favour of these **Resolutions 4 & 5** by a person who is eligible to participate in the employee EEP (for **Resolution 4**) or the EESP (for **Resolution 5**), or their associates; or
- cast on these **Resolutions 4 and 5** as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties,

unless the vote is cast by:

- a person as proxy or attorney for a person who is entitled to vote on Resolutions 4 and 5 in accordance with the directions given to the proxy or attorney to vote on the resolutions in that way;
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolutions in accordance with an express authorisation given to the chair to vote on the Resolutions 4 and 5 as the chair thinks fit; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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
 - the holder votes on the resolutions in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6

In accordance with the Corporations Act and the ASX Listing Rule 14.11.1, the Company will disregard any votes:

- cast in favour of this Resolution 6 by or on behalf of a Director or person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company's Employee Share Plan, or their associates, in any capacity; or
- on this Resolution 6 as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties,

unless the vote is cast by:

- a person as proxy or attorney for a person entitled to vote on this Resolution 6 in accordance with their directions given to the proxy or attorney to vote on the resolution in that way;
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution in accordance with an express authorisation given to the chair to vote on this Resolution 6 as the chair thinks fit; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- 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
- the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Appointing the Chair as proxy

If you have appointed the Chair as your proxy for **Resolutions 1, 4, 5 & 6** you **are encouraged to direct the Chair how to vote on these resolutions.**

If you have appointed the Chair as your proxy for **Resolutions 1, 4, 5 & 6** and you do not direct the Chair how to vote on these resolutions, you are expressly authorising the Chair to vote as they think fit on all of resolutions, notwithstanding that the Chair or KMP may benefit.

Appointment a KMP (other than Chair) as proxy

If you have appointed a KMP (other than the Chair) as your proxy for **Resolutions 1, 4, 5 and 6** and do not direct the KMP how to vote, your votes will **NOT BE COUNTED** in calculating the required majority when a poll is called on these resolutions.

Proxies general

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on **Resolutions 1, 4, 5 & 6** by marking either “**For**”, “**Against**” or “**Abstain**” on the Voting Form for that item of business.

The Board encourages you to direct your proxy how to vote on all resolutions. The Chairman intends to vote undirected proxies in favour of all resolutions.



Entitlement to Vote

All items of business set out in the Notice will be decided by way of a poll. On a poll, Shareholders have one vote for every fully paid ordinary share held, subject to voting restrictions above.

The Directors have determined that pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company on Tuesday 19 November 2024 at 7.00 pm (AEDT).

Attending the Annual General Meeting – in person or online.

Shareholders and proxyholders attending the meeting in person or online will have the ability to ask questions during the AGM (either in person or online), hear the discussion and vote on all resolutions on the day of the meeting, subject to the connectivity of their device if attending online.

If attending online, Shareholders can watch and participate in the meeting via the following link:

<http://meetnow.global/solvar2024>

How do I participate in the meeting online?

Shareholders must use the Computershare Meeting Platform to attend and participate in the meeting.

To participate in the meeting, you can log in by entering the following URL <https://meetnow.global/solvar2024> on your computer, tablet or smartphone.

Online registration will open 1 hour before the meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare prior to the meeting to obtain their unique email invitation link.

To participate in the meeting online follow the instructions below.

1. Click on 'Join Meeting Now'.
2. Enter your SRN/HIN.
3. Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop-down list.
4. Accept the Terms and Conditions and 'Click Continue'.
5. Proxyholders will need to contact Computershare on +61 3 9415 4024 one hour prior to the meeting to obtain their unique email invitation link.

You can view the meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

Online Meeting Guide: www.computershare.com.au/virtualmeetingguide

Whether you are participating in person or online, you are encouraged to register at least 15 minutes before the start of the Annual General Meeting.

Should technical difficulties arise during the meeting that affect shareholders participating online, the Chairman has the discretion as to whether and how the online portion of the meeting should proceed. In exercising his discretion, the Chairman will have regard to the number of Shareholders impacted and the extent to which participation in the business of the meeting is affected. Where he considers it appropriate, the Chairman may continue to hold the meeting online or offline and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

For this reason, Shareholders participating online are encouraged to lodge a proxy by 2.00pm on Tuesday 19 November 2024 even if they plan to attend the meeting online.

Asking Questions

The Company encourages all Shareholders and proxyholders, whether they are attending the meeting in person/online or not attending at all, to send in questions and vote prior to the meeting.

Questions can be sent to:

The Company Secretary

Email: cosec@solvar.com.au

General Questions must be submitted no later than **2.00pm Tuesday 19 November 2024**.

Questions for the Company's Auditor must be submitted no later than **2.00pm Thursday 14 November 2024**.

Proxy instructions and lodgement

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

Prior to making any decision, Shareholders may wish to seek advice from their own independent financial adviser or stockbroker as to the effect of the proposed resolutions.

A Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies. The Proxy Form to be used is to be read in conjunction with and accompanies this notice of meeting.

A proxy need not be a Shareholder of the Company. The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed by the corporation in accordance with section 250D the Act. Where a proxy is appointed by a Shareholder's attorney, the power of attorney together with evidence of non-revocation must be lodged with the Proxy Form. Further terms relating to the use of the proxy are described on the accompanying Proxy Form.

A Shareholder may choose whether or not to direct the proxy to vote. If the Shareholder does not direct the proxy how to vote on each Resolution, the proxy may vote as the proxy sees fit on the resolutions for which the proxy is not directed (subject to the special voting restrictions for



Resolutions 1, 4, 5 and 6). A Shareholder who is entitled to cast two or more votes may appoint two proxies, may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes of the Shareholder.

PLEASE NOTE THAT PROXY FORMS RECEIVED AFTER 2.00PM TUESDAY 19 NOVEMBER 2024 WILL BE CONSIDERED INVALID.

You may vote on the day of the meeting should you attend the meeting in person or online, however you are encouraged to vote prior to the meeting by completing **and lodging your Proxy Form with the Company no later than 2.00 pm Tuesday 19 November 2024 (AEDT) (being no later than 48 hours before the meeting)** by one of the following methods:

Online: Shareholders may lodge proxies online by visiting www.investorvote.com.au

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

Note: To use the online lodgement facility, Shareholders need their 'Holder Identifier' – Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as displayed on their Proxy Form.

By Mail: Solvar Limited

C/- Computershare Investor Services Pty Limited

GPO Box 242

Melbourne VIC 3001

Australia

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

Corporate Representatives

A Corporation may elect to appoint an individual to act as its representative in accordance with Section 250D of the Act in which case the Company will require a Certificate of Appointment of Corporate Representative executed in accordance with the Act to be provided. The certificate must be lodged with the Company or Computershare Investor Services Pty Ltd before the Annual General Meeting.

A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

By Order of the Board:



Terri Bakos
Company Secretary
Melbourne,
4 October 2024

Solvar Limited
ABN 63 117 296 143
Notice of Annual General Meeting

Explanatory Memorandum

This Explanatory Memorandum has been prepared to provide Shareholders with sufficient information to reasonably assess the merits of the resolutions contained in the accompanying Notice of Annual General Meeting (“AGM”) of the Company (“Notice”) concerning the meeting to be held at 2:00 PM on Thursday 21 November 2024 via online facilities and at the Barclay Room, The QT Melbourne, 133 Russell Street, Melbourne VIC 3000.

1. Financial Statements and Reports

This agenda item is self-explanatory. In accordance with the Act, Shareholders will be given the opportunity to raise questions on the Financial Statements and Reports, and on the performance of the Company generally. During the discussion of this item, the Company’s auditors will be present and will answer qualifying questions.

Written questions for the auditor

If you would like to submit a written question to the Company’s auditor, please post your question to the Company Secretary or email to cosec@solvar.com.au. Written questions must relate to the content of the auditor’s report to be considered at the Annual General Meeting or the conduct of the audit. A list of qualifying questions will be addressed at the Annual General Meeting.

Please note that all questions relating to the Financial Statements must be received at least five business days before the Annual General Meeting, which is by no later than **2:00 PM, Thursday 14 November 2024**.

Shareholders should note that the Financial Statements and Reports will be received in the form presented. It is not the purpose and there is no requirement either in the Act or in the Constitution of the Company for Shareholders to approve the Financial Report, the Directors’ Report or the Auditor’s Report of the meeting or that the Financial Statements and Reports be accepted, rejected or modified in any way.

2. Resolution 1 – Remuneration Report

Section 250R(2) of the Act requires a resolution that the Remuneration Report be adopted and put to a vote at the listed company’s AGM. The vote is advisory only and does not bind the Directors or the Company.

The Remuneration Report, which forms part of the Directors’ Report, is set out on pages 33 to 43 of the 2024 Annual Report and can be found on the Company website at <https://www.solvar.com.au/investors/annual-reports>.

VOTING RESTRICTIONS APPLY TO THIS RESOLUTION.

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3. Resolution 2 – Re-election of Stuart Robertson as Director

Stuart Robertson was appointed as a Non-Executive Director to the board on the 29 January 2016.

He is currently the Chairman of the board and considered an independent non-executive director.

Stuart has broad experience in business advisory, investment banking and platforms, alternative investments and funds management. He has held senior roles at BT Funds Management, KBC Investments Limited and Zurich Financial Services in Australia, London and New York and is currently the head of private assets and distribution at Ellerston Capital Limited.

Stuart is a non-executive director of ASX listed company Praemium Limited (appointed 12 May 2017). Stuart is a Chartered Accountant, Fellow of FINSIA, Member of the Australian Institute of Company Directors and holds an MBA from the MGSM.

Mr Robertson and the Company believe that he has sufficient capacity to fulfil his duties and responsibilities to the Company.

Mr Robertson currently holds 1,124,986 Ordinary Shares in the Company.

The Directors, other than Mr Robertson who abstains, recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3 – Election of Craig Parker as Director

Craig Parker was appointed as a Non-Executive Director by the Board on the 18 September 2024 to fill a casual vacancy. The Board has determined that Mr Parker is an independent non-executive director.

Mr Parker has had a long and distinguished career with Westpac Banking Corporation spanning over 41 years. Prior to retirement he was responsible for Westpac's global structured finance and securitisation activities for over seventeen years. Westpac dominates the Securitisation and Structured Finance market across Australia and New Zealand in all major asset classes including automotive loans.

Mr Parker holds a BA (Economics), B.Ec (Accounting & Finance) and an MBA from Macquarie University, Sydney, and he is also a Certified Practising Accountant. Mr Parker was recently recognised as a Fellow of the Australian Securitisation Forum recognising his contribution to the Securitisation industry.

Mr Parker currently holds other board positions with Firstmac Limited, a major non-Bank Residential Mortgage company and Foresight Australia, a Disability Accommodation and Services organisation.

A background check on Mr Parker prior to his appointment did not reveal any information that Shareholders should be aware of.

Mr Parker and the Company believe that he has sufficient capacity to fulfil his duties and responsibilities to the Company.

Mr Parker currently holds 50,000 Ordinary Shares in the Company.

The Directors, other than Mr Parker who abstains, recommend that Shareholders vote in favour of Resolution 3.

5. Resolution 4 – Issue of securities under Employee Equity Plan

5.1 Background & key terms of the EEP

The Company adopted an Employee Equity Plan (**EEP**) in 2018 to encourage employees to achieve performance targets set by the Company and meet changes in Australian Taxation Laws.

The EEP operates independently of the Exempt Employee Share Plan (**EESP**), the subject of **Resolution 5**.

5.2 Purpose of the Resolution

ASX Listing Rule 7.1 prohibits a listed Company from issuing or agreeing to issue more than 15% of its issued capital in a 12-month period without shareholder approval (**15% Limit**), unless an exception applies.

ASX Listing Rule 7.2, Exception 13, allows for the issue of securities to employees without Shareholder approval where the issue is pursuant to an employee incentive scheme that the Shareholders have approved the issue of securities under that scheme as an exception to ASX Listing Rule 7.1.

Issues of securities to related parties under the EESP will still require Shareholder approval under ASX Listing Rule 10.14.

If passed, this Resolution will allow the Company to issue securities to employees under the EEP without seeking Shareholder approval for a period of 3 years from date of approval. If this Resolution does not pass, the Company will fulfil its contractual obligations to employees by issuing securities under ASX Listing Rule 7.1,

5.3 Summary of key terms

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| <p>Eligible Persons</p> | <p>Director, officer, employee or contractor of a group company or who is otherwise an Eligible Participant under Division 1A of Part 7.12 of the Corporations Act 2001 (Eligible Persons). The Plan extends to ‘casual employees’ and prospective employees’. Participation in the Plan is voluntary.</p> <p>The maximum total number of Shares that can be issued under the EEP (together with the EESP) is 5% of the Company’s share capital issued over a 3-year period.</p> |
| <p>Invitation and Acceptance</p> | <p>Securities that may be issued under the EEP include Shares, Options and Performance Rights (typically a right to acquire a Share without further payment).</p> <p>The Board has the discretion to make invitations to Eligible Persons including determining the total number of awards being made available or the manner for determining that number. The Board may also determine:</p> |



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| | <ul style="list-style-type: none"> • in respect of EEP Shares, the issue price and any other specific terms and conditions of issue; and • in respect of Options, the exercise period, the exercise price and exercise conditions (if any). <p>No payment is due on the issue of an award under the EEP.</p> <p>An invitation must comply with Division 1A of Part 7.12 of the Corporations Act 2001 (Div 1A) and may include a summary or copy of the EEP. Securities issued under the EEP are not transferrable. The Board may accept or reject an application at its discretion.</p> |
| Options | <p>Subject to any adjustment in the event of a bonus issue, rights issue or reconstruction of capital, each Option is an option to subscribe for one Share. Upon exercise of an Option by the participant, each Share issued will rank equally with other quoted fully paid shares of the Company.</p> <p>Subject to satisfaction of any exercise conditions, an Option may be exercised by notice in writing and payment of exercise price. Options do not carry rights to participate in rights or bonus issues, unless it has been exercised and the Share issued prior to the record date. A Share issued pursuant to an Option may be subject to a Restraint Period.</p> |
| Capital Events | <p>If there is a variation in the share capital of the Company including a capitalisation, rights issue, sub-division, consolidation, or a reduction of share capital, the Board may, subject to the applicable Listing Rules or the rules of any other relevant stock exchange, make such adjustments as it considers appropriate. In respect of Options, Options must be exercised and in respect of Performance Rights, that Right has vested.</p> |
| Performance Rights | <p>The Board may issue Performance Rights at its discretion. A Performance Right confers an entitlement to be issued with 1 fully paid ordinary Share, at no cost to the holder.</p> <p>Performance Rights are not transferable.</p> <p>A Share issued pursuant to a Performance Right may be subject to a Restriction Period.</p> |
| Lapsed Awards | <p>Any Options not vested in accordance with the Rules may not be exercised unless otherwise permitted by the Board. A Performance Right will lapse where the performance criteria has not been satisfied unless otherwise determined by the Board.</p> |

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| | Securities will automatically lapse in the event of fraud, breach of dishonesty or in certain circumstances where the participant ceases to be employed or where prescribed. |
| Administration | The EEP is administered by the Board. The Board may make regulations and determine procedures to administer and implement the EEP and may also terminate or suspend the operation of the EEP at its discretion. |
| Amendment | The Board may at any time amend the rules governing the operation of the EEP or waive or modify the application of the rules in relation to any participant. However, the Board may not amend the rules in a way that would decrease a participant's rights in respect of options acquired by them, other than amendments required to comply or conform to legislation or listing rules, to correct any manifest error or mistake or to take into account any possible adverse tax implications. |
| Termination | The EEP may be terminated or suspended at any time by a resolution of the Board, provided the termination or suspension does not materially adversely affect the rights of persons holding shares or options issued under the EEP at that time. |

A copy of the EEP rules is available on the Company's website www.solvar.com.au.

5.4 *Changes to the EEP since last approval*

Since the EEP was last approved by Shareholders, the following changes have been made:

- updates to reflect Division 1A of the Part 7.12A of the Corporations Act as the application governing law,
- the maximum total number of Shares that can be issued under the EEP (together with the EESP) is 5% of the Company's share capital issued over a 3-year period,
- to the definition of 'Trustee' to allow for the appointment of trustees (to any share trust established by the Company under the EEP) from time to time without seeking an amendment to the EEP,
- to make it clear the trustee of any share trust established by the Company under the Plan, holds only Shares and not Awards (along with consequential amendments through the EEP), and
- minor changes to the withholding tax provisions for overseas employees.

5.5 *Other matters*

Issues of securities to **related parties** under the EEP will still require Shareholder approval under ASX Listing Rule 10.14.

Since Shareholders last approved an allocation under ASX Listing Rule 7.2, Exception 13 at the 2021 Annual General Meeting, **3,389,962** securities have been issued under the EEP.

The maximum total number of securities that are proposed to be issued under the EEP (together with the EESP) is 5% of the Company's share capital issued during a 3-year period, inclusive of securities to be issued subject to **Resolution 5**.

The Directors recommend that Shareholders vote in favour of this Resolution 4.

VOTING RESTRICTIONS APPLY TO THIS RESOLUTION.

6. Resolution 5 – Issue of shares under Exempt Employee Share Plan

6.1 Background & key terms of the EESP

The Company adopted the Exempt Employee Share Plan (**EESP**) in 2008 to encourage employees to achieve performance targets of the Company and /or their respective business units.

The EESP operates independently of the Employee Equity Scheme (**EEP**), the subject of **Resolution 4**.

6.2 Purpose of the resolution

ASX Listing Rule 7.1 prohibits a listed Company from issuing or agreeing to issue more than 15% of its issued capital in a 12-month period without Shareholder approval (**15% Limit**), unless an exception applies.

ASX Listing Rule 7.2, Exception 13, allows for the issue of shares to employees without Shareholder approval where the issue is pursuant to an employee incentive scheme and the Shareholders have approved the issue of securities under that scheme as an exception to ASX Listing Rule 7.1.

If passed, this Resolution will allow the Company to issue securities to employees under the EESP without seeking Shareholder approval. If this Resolution does not pass, the Company will fulfil its contractual obligations to employees by issuing securities under ASX Listing Rule 7.1

Issues of securities to **related parties** under the EESP will still require Shareholder approval under ASX Listing Rule 10.14.

Since shareholders last approved an allocation under ASX Listing Rule 7.2, Exception 13 at the 2021 Annual General Meeting, **15,689** ordinary shares have been issued under the EESP.

The maximum total number of securities that are proposed to be issued under the EESP (together with the EEP) is 5% of the Company's share capital issued during a 3-year period, inclusive of securities to be issued subject to **Resolution 4**.

6.3 Summary of key terms

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| <p>Eligible Persons</p> | <p>Selected permanent employees or directors or who is otherwise an Eligible Participant under Div 1A (Eligible Persons) and satisfy the requirements of subsections 83A-35 and 83A-45 of the Income Tax Assessment Act.</p> |
| <p>Invitation and Acceptance</p> | <p>Securities issued under the Plan are ordinary fully paid shares. Selected employees and directors of the Company are eligible to participate at the absolute discretion of the Board.</p> <p>The EESP allows employees to acquire up to \$1,000 of fully paid ordinary shares in a 12-month period without disclosure, provided the offer meets the requirement of Div 1A.</p> <p>The EESP does not contemplate any loans being given to employees.</p> <p>Employees are restricted from dealing in shares issued pursuant to the EESP until the earlier of 3 years after their issue or the date they cease to be an employee.</p> <p>The issue price of a share is a market price mechanism.</p> <p>An invitation must comply with Div 1A and may include a summary or copy of the Plan.</p> <p>Securities issued under the Plan re not transferrable.</p> <p>The maximum total number of Shares that can be issued under the EESP (together with the EEP) is 5% of the Company's share capital issued during the previous 3 year period.</p> |
| <p>Capital Events</p> | <p>In the event of any reconstruction of the capital of the Company (including consolidation, sub-division, reduction or return of capital), the number of Shares to which each Employee is entitled will be reconstructed in the manner specified by the Listing Rules as applicable at the Issue Date.</p> |
| <p>Administration</p> | <p>The Plan is administered by the Board. The Board may make regulations and determine procedures to administer and implement the Plan and may also terminate or suspend the operation of the Plan at its discretion.</p> |



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| Amendment | <p>The Board may at any time amend the rules governing the operation of the Plan or waive or modify the application of the rules in relation to any participant.</p> <p>However, the Board may not amend the rules in a way that would decrease a participant's rights in respect of shares acquired by them, other than amendments required to comply or conform to legislation or listing rules, to correct any manifest error or mistake or to take into account any possible adverse tax implications.</p> |
| Termination | <p>The Plan may be terminated or suspended at any time by a resolution of the Board, provided the termination or suspension does not materially adversely affect the rights of persons holding shares or options issued under the plan at that time.</p> |

A copy of the EESP rules is available on the Company's website www.solvar.com.au.

6.4 Changes to the EESP since last approved

Since the EESP was last approved by Shareholders, the following changes have been made:

- updates to reflect Division 1A of the Part 7.12A of the Corporations Act as the application governing law,
- the maximum total number of Shares that can be issued under the EEP (together with the EESP) is 5% of the Company's share capital issued over a 3-year period, and
- Insertion of provisions to allow the Company to establish a share trust to hold shares on behalf of employees.

The Directors recommend that Shareholders vote in favour of Resolution 5.

VOTING RESTRICTIONS APPLY TO THIS RESOLUTION.

7. Resolution 6 – Issue of Performance Rights to Scott Baldwin under Employee Equity Plan

7.1 Background

The Company continues to reward executives with competitive salary packages consisting of both cash and equity-based components.

The Company has negotiated the following salary package for Scott Baldwin, CEO and Managing Director for the 2025 financial year (“FY25”).

| Component | Value of Allocation \$ | Payment Method | % Allocation |
|---------------------------------------|------------------------|----------------|--------------|
| Fixed Remuneration: | 635,000 | Cash | 34% |
| Potential Short-term Incentive (STI): | 635,000 | Cash | 33% |
| Potential Long-term Incentive (LTI): | 635,000* | Equity | 33% |
| Total Package: | 1,905,000 | | 100% |

*Mr Baldwin has a right to receive up to 150% of this amount should the Company out-perform the Performance Hurdles during the LTI Performance Period.

The FY25 Total Package, inclusive of LTI component, is a 5.46% increase over the 2024 financial year (“FY24”) Total Package offered to Mr Baldwin.

7.2 LTI Incentive Program

The LTI Program has been designed to align the recipients interests with those of Shareholders over the longer term. Performance Rights are issued under the Company’s Company Equity Plan (**EEP**) and are subject to a 3-year vesting period (**Performance Period**). Vesting is subject to the Vesting Hurdles referred to below.

Once the Performance Period has ended, the Board (having regard to the relevant hurdles) will determine the quantity of Performance Rights that will vest and convert to Ordinary Shares. No disposal restrictions will apply to the Ordinary Shares issued as a result of the exercise of the Performance Rights.

7.3 LTI Program-Vesting Hurdles

The total quantity of Performance Rights to be issued under the LTI Program will be allocated between TSR and EPS Hurdles as follows:

| | Percentage of LTI Allocation (FY25) |
|--------------|-------------------------------------|
| EPS Hurdle | 50% (EPS Allocation) |
| TSR Hurdle | 50% (TSR Allocation) |
| Total | 100% |



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The Hurdles have been determined by the Board on recommendation of the Remuneration Committee (with Mr Baldwin recusing himself from deliberations and voting).

7.4 Earnings Per Share (EPS) Hurdle

The vesting of Mr Baldwin's total FY25 EPS Allocation is subject to the Company achieving an earnings per share growth, using the Company's compound annual growth rate ("**CAGR**") over the Performance Period, as follows:

| CAGR | Payout as a % of EPS Allocation |
|--------------|--|
| Below 8% | Nil |
| 8% - 10% | 50% |
| 10% to 12.5% | 100% |
| Above 12.5%* | 150% |

*Should the CAGR exceed 12.5% over the Performance Period, Mr Baldwin is entitled to 150% of his total EPS Allocation. That is, he may receive up to 387,195 Ordinary Shares.

The CAGR will be calculated by compounding the Company's annual results over the Performance Period commencing with the annual results for the first year of the Performance Period.

The Company has the ability to adjust the Company's earnings over a relevant period or the starting EPS price to take into consideration the impact of any significant abnormal events that have materially impacted the Company's performance just prior to or over the relevant period. For example, a Takeover Bid event or economic conditions that have significantly influenced the Company's share price and earnings.

The Company's EPS CAGR for the Performance Period will be calculated and assessed by the Board.

7.5 Total Shareholder Return (TSR Hurdle)

The vesting of Mr Baldwin's total FY25 **TSR Allocation** is dependent on the Company achieving an Absolute TSR over the Performance Period as follows:

| CAGR | Absolute TSR Growth |
|--------------|----------------------------|
| Below 8% | Nil |
| 8% - 10% | 50% |
| 10% to 12.5% | 100% |
| Above 12.5%* | 150% |

*Should Absolute TSR growth exceed 12.5%, Mr Baldwin is entitled up to 150% of his total TSR Allocation. That is, he may receive up to 387,195 Ordinary Shares.

The Absolute TSR of the Company will be expressed as a compound annual rate of return, comprised of:

- (A) the change in share price of the Company over the Performance Period.

In determining the change in a Company's share price, the value of securities on the start date and the end date of the Performance Period will be based on the Volume Weighted Average Price ("VWAP") over the 20 trading days up to and including the relevant date. The VWAP on the end date of the Performance Period will be adjusted to take account of any stock splits or consolidations that occur during the Performance Period; and

- (B) the value of all dividends and other Shareholder benefits paid or otherwise made available to Shareholders during the Performance Period determined on the basis that:
- (1) the dividends and Shareholder benefits are reinvested in securities in the Company at the closing price of the securities on the date the dividend or Shareholder benefit was paid or otherwise made available to Shareholders of the Company; and
 - (2) franking credits are disregarded.

The Company's Absolute TSR for the Performance Period will be calculated and assessed by the Board.

7.6 Other Conditions

Other than the EPS and TSR Hurdles, the Performance Rights are also subject to a tenure condition. Mr Baldwin must remain employed with the Company over the Performance Period for the Performance Rights to vest, subject to Board discretion, where approved under section 200B of the Corporations Act.

7.7 Section 200B of the Corporations Act 2001 (Cth)

Section 200B of the Act requires ordinary shareholder approval (in accordance with the special provisions of Section 200E of the Act), to rely on the exemption from the prohibition on a company giving a benefit in connection with a person's retirement from an office or position of employment in that company, where that person is, or was, in the three years prior to his or her retirement, in a managerial or executive office of the company.

The EEP allows the Board, in its discretion, to afford persons ceasing employment with the Company certain benefits under the EEP. The term "benefit" has a wide operation and includes the Board exercising its discretion to vest and allow Mr Baldwin to exercise the Performance Rights on termination of his employment ("**Accelerated Exercise Period**").

The granting of the Accelerated Exercise Period is considered a termination benefit under the Corporations Act.

Should Mr Baldwin cease employment with the Company prior to the end of the Performance Period, all unvested Performance Rights will immediately lapse unless the Board makes a determination that the Performance Rights have vested.



For a benefit under Section 200B of the Act to be allowed, Section 200E of the Act requires that this Notice provide Shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matter, events and circumstances that will, or are likely to, affect the calculation of the value. In deciding such matters, event and circumstances, the Board will take into consideration:

- The financial performance of the Company;
- The personal performance of Mr Baldwin;
- The number of years of service Mr Baldwin has provided to the Company;
- The circumstances in which Mr Baldwin terminates from the Company, ie his death, permanent incapacity, genuine redundancy, take-over;
- The proportion of performance period served prior to termination date;
- Performance conditions achieved proportionally over the Performance Period.

The value of the termination benefits cannot be determined in advance. The Board has not determined whether it will exercise discretion to grant any Accelerated Exercise Period at this time or, in what circumstances such discretion will be exercised.

Shareholders should note the benefit is restricted to an acceleration of the vesting of the Performance Rights. It does not change the exercise price or the number of shares which are subject to the Performance Rights.

Accordingly, this Resolution seeks approval for the Accelerated Exercise Period for the purposes of section 200B of the Act.

A summary of the EEP is set out in Resolution 4. The full terms of the Company EEP can be found on the Company's website at www.solvar.com.au/about-us/corporate-governance.

7.8 ASX Listing Rule 10.14 and Corporations Act requirements

Shareholder approval is sought to allow the Company to issue Performance Rights (and subsequent Ordinary Shares) to Mr Baldwin under the ASX Listing Rules in accordance with the EEP terms

As a director of the Company, Mr Baldwin is a related party in accordance with ASX Listing Rule 10.14.1.

Under ASX Listing Rule 10.14, an entity cannot agree to issue securities to a director under the Company's EEP without the approval of the holders of Ordinary Shares. If Shareholder approval is obtained under Listing Rule 10.14, the issue of the Performance Rights to Mr Baldwin will not count towards the Company's capacity to issue equity securities under ASX Listing Rule 7.1. If this Resolution is passed, Mr Baldwin will be issued the Performance Rights referred to in paragraphs 7.3 to 7.5. If this Resolution does not pass, Mr Baldwin will not be issued the Performance Rights.

The Board has determined that the issue of the Performance Rights in accordance with their terms is reasonable remuneration and accordingly, Shareholder approval for the related party provisions under Chapter 2E of the Corporations Act is not required.

7.9 *Notice requirements under ASX Listing Rule 10.14 and Section 200B of the Corporations Act 2001*

It is a requirement of ASX Listing Rule 10.15 and Section 200E of the Act, that a listed entity seeking Shareholder approval under ASX Listing Rule 10.14 and Section 200B of the Act provide the following information:

(a) *The name of the person*

Scott Baldwin, who is the Managing Director of the Company and CEO.

(b) *Quantity of Performance Rights to be issued to Mr Baldwin*

Should the Company outperform over the Performance Period, the maximum quantity of Performance Rights (and subsequent Ordinary Shares) that Mr Baldwin could potentially receive has been determined on the following basis:

$$\text{Qty} = \left[\begin{array}{c} A \\ \text{-----} \\ B \end{array} \right] \times 150\% \text{ (assuming over-performance)}$$

A = Total maximum value of the **LTI Allocation** (excluding over-performance), being \$635,000

B = Deemed issue price of Performance Rights, being \$1.23

This equates to:

\$635,000

----- x 150% = 774,390 Performance Rights (maximum Qty).

\$1.23

As outlined above, 50% of this maximum quantity of Performance Rights will be subject to the EPS Hurdle and 50% subject to the TSR Hurdle.

(c) *Deemed price of issue:*

The Performance Rights will have a deemed issue price of \$1.23 each.

This price has been calculated at the 30 day VWAP of the Company's share price as at 27 September 2024, being approximately 1 week prior to the date of this Notice of Annual General Meeting.

No cash will be paid for the issue of the Performance Rights.



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(d) *Date of issue:*

It is envisaged that the Performance Rights will be allocated no later than 31 December 2024 and the resulting Ordinary Shares (if applicable) will be issued at the conclusion of the Performance Period, but no later than 21 November 2027.

(e) *Details of Mr Baldwin's total remuneration package*

Mr Baldwin's Total Remuneration Package, inclusive of Superannuation is detailed above at paragraph 7.1.

(f) *The number of securities that have previously been issued to Mr Baldwin under the scheme and the average acquisition price (if any) paid*

1,523,450 Performance Rights with an average deemed issue price of \$2.09 each have been issued to Mr Baldwin under the EEP since it was last approved by Shareholders at the 2021 Annual General Meeting. These rights were approved by Shareholders at the 2021, 2022 & 2023 Annual General Meetings. No cash consideration was paid by Mr Baldwin for these Performance Rights.

(g) *A summary of the material terms of the EEP scheme and Performance Rights issued under the EEP*

The terms of the EPP are set out in Resolution 4.

(h) *Terms of any loan in relation to the issue:*

The Company will not issue any loan to Mr Baldwin to acquire these Performance Rights and resulting Ordinary Shares.

However, the Performance Rights will be issued to and held in the Company's EEP Trust for Mr Baldwin over the Performance Period.

(i) *Other matters*

Details of all securities issued under the EEP and a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14 will be published in each Annual Report of the Company for the period in which the relevant securities were granted.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in the EPP after Resolution 6 is approved and who were not named in this Notice of Annual General Meeting will not be entitled to acquire securities under the EEP until approval is obtained under ASX Listing Rule 10.14.

Where approval is obtained under ASX Listing Rule 10.14, approval is not also required under ASX Listing Rule 7.1.

The Director, the subject of this Resolution, because of his interest, makes no recommendation in relation to this Resolution. All other Directors recommend that Shareholders vote in favour of this Resolution.

VOTING RESTRICTIONS APPLY TO THIS RESOLUTION.





Solvar Limited
ABN 63 117 296 143

SVR

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Need assistance?

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+61 3 9415 4000 (outside Australia)

 **Online:**
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **2:00pm (AEDT) on Tuesday, 19 November 2024.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

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

By Mail:

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

By Fax:

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



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

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

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

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

the Chairman of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Solvar Limited to be held at Barclay Room, The QT Melbourne, 133 Russell Street, Melbourne, VIC 3000 and as a virtual meeting on Thursday, 21 November 2024 at 2:00pm (AEDT) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 4, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 4, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 4, 5 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

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

| | | For | Against | Abstain |
|--------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of Stuart Robertson as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Election of Craig Parker as Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 4 | Refresh Employee Equity Plan (EEP) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 5 | Refresh Employee Exempt Share Plan (EESP) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 6 | Issue of Performance Rights to Scott Baldwin under Employee Equity Plan (EEP) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

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

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

SVR

3 1 1 8 9 0 A



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