



**Talga Group Ltd  
ACN 138 405 419**

## **Notice of Annual General Meeting**

**The Annual General Meeting of the Company will be held as follows:**

**Time and date:** 2.00pm (AWST) on Thursday, 24 November 2022

**Location:** QV1 Conference Centre, Level 2, 250 St Georges Tce, Perth, WA

The Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the  
Company Secretary by telephone on +61 (0) 8 9481 6667.**

**Shareholders are urged to vote by lodging the Proxy Form**



**Talga Group Ltd  
ACN 138 405 419  
(Company)**

## **Notice of Annual General Meeting**

Notice is hereby given that the annual general meeting of Shareholders of Talga Group Ltd will be held at QV1 Conference Centre, Level 2, 250 St Georges Terrace, Perth, WA on Thursday, 24 November 2022 at 2.00pm (AWST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 22 November 2022 at 5.00pm (AWST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

### **Agenda**

#### **1 Annual Report**

To consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2022, which includes the Financial Report, the Directors' Report and the Auditor's Report.

**Note:** there is no requirement for Shareholders to approve the Annual Report.

#### **2 Resolutions**

##### **Resolution 1 – Remuneration Report**

To consider and, if thought fit, to pass with or without amendment, as a **non-binding** ordinary resolution the following:

*'That, the Remuneration Report be adopted by Shareholders, on the terms and conditions in the Explanatory Memorandum.'*

**Note:** a vote on this Resolution is advisory only and does not bind the Directors or the Company.

##### **Resolution 2 – Re-election of Director - Ola Rinnan**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, Ola Rinnan, who retires in accordance with Article 7.4(b) of the Constitution and Listing Rule 14.4 and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum.'*



### **Resolution 3 – Re-election of Director - Grant Mooney**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, Grant Mooney, who retires in accordance with Article 7.4(b) of the Constitution and Listing Rule 14.4 and for all other purposes, retires and, being eligible and offering himself for re-election, is re-elected as a Director, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 4 – Re-approval of Employee Incentive Plan**

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

*'That, pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders re-approve and amend the employee incentive scheme of the Company known as the "Talga Group Ltd Employee Securities Incentive Plan" and the issue of up to a maximum number of 32,507,451 Securities under the Plan over a period of up to three years from the date of the Meeting, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 5 – Approval of potential termination benefits under the Plan**

To consider and, if thought fit, to pass without or without amendment, as an ordinary resolution the following:

*'That, conditional on Resolution 4 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.'*

### **Resolution 6 – Modification of existing Constitution**

To consider and, if thought fit, to pass with or without amendment, as a **special** resolution the following:

*'That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, the constitution of the Company be modified by making the amendments contained in the Explanatory Memorandum, with effect from the conclusion of the Meeting.'*

### **Resolution 7 – Ratification of issue of Placement Shares**

To consider and, if thought fit, to pass without or without amendment, as an ordinary resolution the following:

*'That, pursuant to and in accordance with Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 20,100,000 Placement Shares, on the terms and conditions in the Explanatory Memorandum.'*



## Voting prohibitions

**Resolution 1:** In accordance with sections 250BD and 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 details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

A vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chair to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

**Resolution 4 and Resolution 5:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment, on the relevant Resolution if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.



## Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 4:** by or on behalf of a person who is eligible to participate in the Plan, or any of their respective associates, or their nominees.
- (b) **Resolution 7:** by or on behalf of any person who participated in the issue of the Placement Shares, or any of their respective associates, or their nominees.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as 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 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.

**BY ORDER OF THE BOARD**



**Dean Scarparolo**  
**Company Secretary**  
**Talga Group Ltd**

Dated: 19 October 2022



**Talga Group Ltd**  
**ACN 138 405 419**  
**(Company)**

## **Explanatory Memorandum**

### **1. Introduction**

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at QV1 Conference Centre, Level 2, 250 St Georges Terrace, Perth, WA on Thursday, 24 November 2022 at 2.00pm (AWST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolution will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolution:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolution 1 – Remuneration Report
Section 5	Resolution 2 – Re-election of Director - Ola Rinnan
Section 6	Resolution 3 – Re-election of Director - Grant Mooney
Section 7	Resolution 4 – Re-approval of Employee Incentive Plan
Section 8	Resolution 5 – Approval of potential termination benefits under the Plan
Section 9	Resolution 6 – Modification of existing Constitution
Section 10	Resolution 7 – Ratification of issue of Placement Shares
Schedule 1	Definitions
Schedule 2	Summary of proposed Employee Incentive Plan

A Proxy Form is located at the end of the Explanatory Memorandum.



## **2. Action to be taken by Shareholders**

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolution.

### **2.1 Voting in person**

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

### **2.2 Voting by proxy**

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the chair of the meeting;



- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Your proxy voting instruction must be received by 2.00pm (AWST) on Tuesday, 22 November 2022, being not later than 48 hours before the commencement of the Meeting

### 2.3 **Chair's voting intentions**

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of **Resolution 1, Resolution 4 and Resolution 5** even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

### 2.4 **Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [info@talgagroup.com](mailto:info@talgagroup.com) by 22 November 2022.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).



### 3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2022.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at [www.talgagroup.com](http://www.talgagroup.com);
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary on [info@talgagroup.com](mailto:info@talgagroup.com) or at the Company's registered office.

The Company will not provide a hard copy of the Company's Annual Report to Shareholders unless specifically requested to do so.

### 4. Resolution 1 – Remuneration Report

#### 4.1 General

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2022 in the 2022 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the managing director (if any).



Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2021 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2023 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

## **4.2 Additional information**

Resolution 1 is an ordinary resolution.

Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

## **5. Resolution 2 – Re-election of Director - Ola Rinnan**

### **5.1 General**

Article 7.4(b) of the Constitution and Listing Rule 14.4 both provide that a director (excluding the managing director) must not hold office without re-election past the third annual general meeting following that director's appointment or three years.

Article 7.4(f) of the Constitution provides that a director who retires in accordance with Article 7.4(b) is eligible for re-election.

Ola Rinnan, Non-Executive Director, was last elected at the Company's 2019 annual general meeting. Accordingly, Ola Rinnan retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 2.

### **5.2 Ola Rinnan**

Mr Rinnan has extensive commercialisation and leadership experience across the energy, banking and finance sectors and has held numerous board positions for European listed companies and financial institutions including Non-Executive Directorships in Smedvig group companies and DFCU Bank (representing the largest shareholder Norfund).

Formerly the Chairman of Avinor AS, CEO at Eidsiva Energi AS, CEO at Norgeskreditt AS and CFO for Moelven Industrier AS, Mr Rinnan is currently the Chairman of Nordavind DC Sites AS, Hamar Media AS, Espern Eiendom AS, Alpha Entrance AS, Megafun AS and Gravdahl AS. Mr Rinnan holds a Bachelor in Economics and a Masters in Construction and Materials Technology.

Mr Rinnan does not currently hold any other material directorships, other than as disclosed in this Notice.



If elected, Mr Rinnan is considered by the Board (with Mr Rinnan abstaining) to be an independent Director. Mr Rinnan is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Rinnan has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### 5.3 **Board recommendation**

The Board (other than Mr Rinnan who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Rinnan for the following reasons:

- (a) Mr Rinnan has the necessary level of experience, particularly in energy, banking and finance;
- (b) Mr Rinnan has pertinent qualifications and skill set; and
- (c) Mr Rinnan has demonstrated a high level of requisite corporate leadership and continues to make a valuable contribution to the Board.

The Board (other than Mr Rinnan who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of this Resolution.

### 5.4 **Additional information**

Resolution 2 is an ordinary resolution.

## 6. **Resolution 3 – Re-election of Director - Grant Mooney**

### 6.1 **General**

Article 7.4(b) of the Constitution and Listing Rule 14.4 both provide that a director (excluding the managing director) must not hold office without re-election past the third annual general meeting following that director's appointment or three years.

Article 7.4(f) of the Constitution provides that a director who retires in accordance with Article 7.4(b) is eligible for re-election.

Grant Mooney, Non-Executive Director, was last elected at the Company's 2019 annual general meeting. Accordingly, Grant Mooney retires at this Meeting and, being eligible, seeks re-election pursuant to this Resolution 3.

### 6.2 **Grant Mooney**

Mr Mooney has a background in corporate advisory with extensive experience in equity capital markets, corporate governance and M&A transactions along with a wealth of experience in resources and technology markets. He is a member of the Institute of Chartered Accountants in Australia.



Mr Mooney is a Non-Executive Director of several ASX-listed companies including wave energy technology developer Carnegie Clean Energy Limited (ASX:CCE), 3D metal printing technology company Aurora Labs Limited (ASX:A3D), and mineral resources companies Riedel Resources Ltd (ASX:RIE), Accelerate Resources Limited (ASX:AX8), SRJ Technologies, and Gibb River Diamonds Limited (ASX:GIB).

Mr Mooney does not currently hold any other material directorships, other than as disclosed in this Notice.

If elected, Mr Mooney is considered by the Board (with Mr Mooney abstaining) to be an independent Director. Mr Mooney is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party.

Mr Mooney has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

### 6.3 **Board recommendation**

The Board (other than Mr Mooney who has a personal interest in the outcome of this Resolution) supports the re-election of Mr Mooney for the following reasons:

- (a) Mr Mooney has the necessary level of experience, particularly in capital markets and corporate governance;
- (b) Mr Mooney has pertinent qualifications and skill set; and
- (c) Mr Mooney has demonstrated a high level of requisite corporate leadership and continues to make a valuable contribution to the Board.

The Board (other than Mr Mooney who has a personal interest in the outcome of this Resolution) recommends that Shareholders vote in favour of this Resolution.

### 6.4 **Additional information**

Resolution 3 is an ordinary resolution.

## 7. **Resolution 4 – Re-approval of Employee Incentive Plan**

### 7.1 **General**

The Company considers that it is desirable to maintain an employee incentive scheme pursuant to which the Company can issue Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

On 1 October 2022, amendments to the Corporations Act commenced, simplifying the process for incentivising participants under employee share schemes (**ESS**). Division 1A will be introduced into Part 7.12 of the Corporations Act, providing a new regime for the making of offers in connection with an ESS (**New Regime**).



This regime will replace the current relief afforded by ASIC Class Order 14/1000 (**Class Order**), which has been in force since 30 October 2014.

To ensure that the Company's ESS complies with the New Regime, the Company will adopt, subject to Shareholder approval, a new ESS called the 'Talga Group Ltd Employee Securities Incentive Plan' (the **Plan**).

Resolution 4 seeks Shareholder approval of the Plan in accordance with Listing Rule 7.2 exception 13(b).

Under the Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the Plan. A summary of the key terms of the Plan is in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. Shareholders are invited to contact the Company if they have any queries.

## 7.2 Key changes between the Class Order and New Regime

The following table summarises the key changes that will be implemented by the New Regime for "Invitations" (within the meaning given in the Plan) made on or after 1 October 2022. These changes are reflected in the Plan.

	Current position under the Class Order	Position from 1 October 2022
Disclosure obligations	<p>The Class Order mandates certain information that must be provided to ESS participants.</p> <p>There is no difference between the disclosure requirements where ESS interests are offered for monetary consideration or for no monetary consideration.</p>	<p><b>If the offer of ESS interests is for no monetary consideration:</b> There are no prescribed disclosure obligations, other than a statement that the offer is made under Division 1A.</p> <p><b>If the offer of ESS interests is for monetary consideration:</b></p> <ul style="list-style-type: none"> <li>Certain prescribed disclosure requirements apply. These disclosure requirements are similar (although different) to the current disclosure requirements under the Class Order.</li> <li>The participant cannot acquire the ESS interests until 14 days after receiving the above disclosure. This mandates a waiting period ensuring a participant has time to consider their decision and seek legal financial advice.</li> </ul>



	Current position under the Class Order	Position from 1 October 2022
		<ul style="list-style-type: none"> <li>Any associated trust, contribution plan and loan arrangement will need to comply with specified requirements.</li> </ul>
Eligible participants	<ul style="list-style-type: none"> <li>Directors;</li> <li>Full-time and part-time employees;</li> <li>Casual employees and contractors, provided they work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the entity.</li> </ul>	<ul style="list-style-type: none"> <li>Directors;</li> <li>Full-time and part-time employees;</li> <li>Any service providers to the entity (with no minimum requirement of hours of service provided);</li> <li>Certain 'related persons' to the above.</li> </ul>
5% limit	The maximum number of ESS interests that can be issued under the Class Order relief over a three-year period is 5% of the issued share capital.	<p><b>If the offer of ESS interests is for no monetary consideration:</b> There is no limit on the number of such ESS interests that may be issued.</p> <p><b>If the offer of ESS interests is for monetary consideration:</b> The number of ESS interests issued over a three-year period must not exceed 5% of the issued share capital. Entities may specify a different issue cap in their constitution.</p>
Quotation requirement	An entity's shares must have been quoted for three months before the Class Order relief is available.	Newly listed entities can offer ESS interests under the new regime without any minimum quotation period. This will make it much simpler for newly listed entities to offer ESS interests.
Suspension	For the Class Order relief to be available, the entity's shares must not have been suspended for more than 5 days over the previous 12 months.	The new regime permits an entity to offer ESS interests regardless of any suspension to the trading of its shares.



	Current position under the Class Order	Position from 1 October 2022
ASIC involvement	A 'Notice of Reliance' must be submitted to ASIC to rely on the Class Order relief.	<p>There are no ASIC lodgement requirements.</p> <p>ASIC has the power to require the provision of documents necessary in order to form an opinion about whether the regime has been complied with.</p> <p>ASIC has also been given express enforcement powers including the ability to issue 'stop orders'.</p>
Criminal offences	N/A	New ESS related criminal offences have been introduced regarding certain misleading or deceptive statements or omissions.

### 7.3 Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the Plan from those set out in this Notice in Schedule 2.

If Resolution 4 is passed, the Company will be able to issue Equity Securities under the Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of three years up to a nominated maximum amount without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

If Resolution 4 is not passed, any issue of Equity Securities pursuant to the Plan must either be undertaken using the Company's 15% annual placement capacity under Listing Rule 7.1, or with prior Shareholder approval.



#### 7.4 **Specific information required by Listing Rule 7.2, exception 13(b)**

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the Plan:

- (a) A summary of the material terms of the Plan is in Schedule 2.
- (b) The Plan is a new employee incentive scheme and has not previously been approved by Shareholders. As at the date of this Notice, no Equity Securities have been issued under the Plan.
- (c) The Company adopted its Existing Plan as an exception to Listing Rule 7.1 under Listing Rule 7.2, exception 13(b) at its 2019 annual general meeting. Since that date, the Company has issued the following Equity Securities under the Existing Plan:

Date of issue	Type of Security	Number of Securities	Recipient
23 September 2020	Options	1,000,000	Key management personnel
16 November 2020	Options	4,000,000	Directors and key management personnel
	Performance Rights	2,100,000	
6 July 2021	Options	500,000	Employee
16 September 2021	Options	2,000,000	Key management personnel

- (d) The maximum number of Equity Securities proposed to be issued under the Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 4 is 32,507,451. This number comprises approximately 10 % of the Company's Equity Securities currently on issue.
- (e) A voting exclusion statement is included in the Notice.

#### 7.5 **Additional information**

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.



## **8. Resolution 5 – Approval of potential termination benefits under the Plan**

### **8.1 General**

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

The Company has not previously sought and obtained Shareholder approval at an annual general meeting for the granting of such termination benefits. However, as the Company is seeking an approval under Listing Rule 7.2, exception 13(b) at this Meeting (the subject of Resolution 4) to adopt the Plan, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with this Resolution.

If Resolution 5 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

### **8.2 Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 4, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

Under the terms of the Plan and subject to the Listing Rules and the Corporations Act, the Board possesses the discretion to vary the terms or conditions of the Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.



The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

### 8.3 **Valuation of the termination benefits**

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

### 8.4 **Additional information**

Resolution 5 is conditional on the passing of Resolution 4.

If Resolution 4 is not approved at the Meeting, Resolution 5 will not be put to the Meeting.

Resolution 5 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 5 due to their potential personal interests in the outcome of the Resolution.



## 9. Resolution 6 – Modification of existing Constitution

### 9.1 General

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 6 seeks the approval of Shareholders to modify the Company's existing Constitution.

The proposed modifications to the existing Constitution will incorporate, amongst other things, recent amendments to the Corporations Act regarding the holding of meetings of Shareholders using virtual meeting technology and the new regime for the making of offers in connection with employee share schemes under Part 7.12 of the Corporations Act.

The Directors believe that it is preferable in the circumstances to simply modify the existing Constitution rather than repealing the entire existing Constitution and replacing it with a new constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A copy of the modified Constitution is available for review by Shareholders at the Company's website [www.talgagroup.com](http://www.talgagroup.com) and at the office of the Company. A copy of the modified Constitution can also be sent to Shareholders upon request to the Company Secretary at [info@talgagroup.com](mailto:info@talgagroup.com). Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 6 is passed, the Company will adopt the modified Constitution with effect from the date this Resolution is passed.

### 9.2 Summary of material proposed changes

#### (a) Convening a general meeting

The modifications provide for the ability of the Company to hold general meetings using virtual technology only, as well as physical or hybrid meetings. This improved flexibility is necessary to ensure the Company is able to hold general meetings at times where physical meetings may not be practicable (such as during pandemics).

Set out below are the proposed modifications to the existing Constitution:

- (i) Delete Article 6.1 and replace with the following new Article 6.1:

#### **6.1 Who can call meetings of Members**

- (a) *The Directors may convene and arrange to hold a general meeting of the Company whenever they think fit and must do so if required to do so under the Corporations Act.*
- (b) *The Company may hold a meeting of Members at a time determined by the Directors:*
- (i) *at one or more physical venues;*



(ii) *at one or more physical venues and using virtual meeting technology; and*

(iii) *using virtual meeting technology only,*

*provided that, in each case, Members as a whole are given a reasonable opportunity to participate in the meeting, and otherwise in the manner determined by the Directors.*

(c) *If the Directors elect to use virtual meeting technology for a general meeting of the Company, the Directors will determine the type of virtual meeting technology to be used, which may include any combination of telephone, video conferencing, messaging, smartphone application or any other audio and/or visual device which permits instantaneous communication.*

(d) *In no circumstances shall the inability of one or more Members to access, or to continue to access, a virtual meeting technology affect the validity of a meeting or any business conducted at a meeting, provided that sufficient Members are able to participate in the meeting as are required to constitute a quorum.*

(e) *The Members may call and arrange to hold a general meeting of the Company as provided by the Corporations Act.*

(ii) Delete Article 6.3(d)(i) and replace with the following new Article 6.3(d)(i):

*date and time for the meeting (and if the meeting is to be held in 2 or more places or using virtual meeting technology only, the technology that will be used to facilitate this);*

(iii) Delete Article 6.5.

(iv) Delete Article 6.11(h) and replace with the following new Article 6.11(h):

*A notice under Article 6.10(c) of a meeting of Members resumed from an adjourned meeting and a notice postponing a meeting of Members must set out the place, date and time for the revised meeting (and if the revised meeting is to be held in 2 or more places or using virtual meeting technology only, the technology that will be used to facilitate this).*

(b) **Issue cap for offers involving monetary consideration under an employee incentive scheme**

The proposed amendment provides the ability for the Company to increase the 5% issue cap under the Corporations Act in respect of offers for monetary consideration under the Plan to 10% (see Resolution 4 above). Set out below is the proposed modification to the existing Constitution.



- (i) Insert as a new definition in Schedule 1:

**ESS Interests** has the meaning under section 1100M(1) of the Corporations Act.

- (ii) Insert as a new Article 2.9:

**2.9 Issue cap for offers involving monetary consideration under an employee incentive scheme**

*For the purposes of section 1100V(2)(a) of the Corporations Act, the Company may only make an offer of ESS Interests if, at the time the offer is made, the Company reasonably believes:*

*(a) the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the offer; and*

*(b) the total number of Shares that are, or are covered by, the ESS Interests that have been issued, or could have been issued, under offers made under the Company's employee share scheme at any time during the 3 year period ending on the day the offer is made,*

*does not exceed 10% of the number of Shares actually on issue as at the start of the day the offer is made.*

**9.3 Additional information**

Resolution 6 is a **special** resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board recommends that Shareholders vote in favour of Resolution 6.

**10. Resolution 7 – Ratification of issue of Placement Shares**

**10.1 General**

On 7 October 2022, the Company announced it had received firm commitments to raise approximately \$22,110,000 (before costs) under a placement (**Placement**). The Placement comprised the issue of 20,100,000 Shares (**Placement Shares**) at \$1.10 per Share. The Placement Shares were issued to a range of sophisticated, professional and institutional investors.

On 13 October 2022, the Company issued the Placement Shares using the Company's placement capacity under Listing Rule 7.1.

Resolution 7 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.



## 10.2 **Listing Rules 7.1 and 7.4**

A summary of Listing Rule 7.1 is in Section 7.3 above.

The issue of the Placement Shares does not fit within any of the exceptions to Listing Rule 7.1 and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's placement capacity under Listing Rule 7.1. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 7 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 7 is passed, 20,100,000 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 7 is not passed, 20,100,000 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 20,100,000 Equity Securities for the 12 month period following the issue of the Placement Shares.

## 10.3 **Specific information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) The Placement Shares were issued to a range of professional, sophisticated and professional investors, none of whom is a related party of the Company or a Material Investor. The placement participants were identified through a bookbuild process, which involved the Joint Lead Managers seeking expressions of interest to participate in the Placement from existing contacts of the Company and clients of the Joint Lead Managers.
- (b) 20,100,000 Placement Shares were issued within the Company's 15% limit permitted under Listing Rule 7.1, without the need for Shareholder approval.
- (c) The Placement Shares are fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Shares were issued on 13 October 2022.
- (e) The Placement Shares were issued at \$1.10 each.



- (f) The proceeds from the issue of the Placement Shares are intended to fund Talga's advancement of the Vittangi Anode Project, expand operation of the Electric Vehicle Anode qualification plant, Niska expansion workstreams and resource drilling, next generation anode development (including Talnode®-Si commercialisation), and for general working capital (including costs of the Placement).
- (g) There are no other material terms to the agreement for the subscription of the Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

#### 10.4 **Additional information**

The Board recommends that Shareholders vote in favour of Resolution 7.

Resolution 7 is an ordinary resolution.



## Schedule 1      Definitions

In the Notice, words importing the singular include the plural and vice versa.

<b>\$ or A\$</b>	means Australian Dollars.
<b>Annual Report</b>	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2022.
<b>ASX</b>	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
<b>Auditor's Report</b>	means the auditor's report contained in the Annual Report.
<b>AWST</b>	means Australian Western Standard Time, being the time in Perth, Western Australia.
<b>Board</b>	means the board of Directors.
<b>Chair</b>	means the person appointed to chair the Meeting of the Company convened by the Notice.
<b>Class Order</b>	means ASIC Class Order 14/1000.
<b>Company</b>	means Talga Group Ltd (ACN 138 405 419).
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth), as amended.
<b>Director</b>	means a director of the Company.
<b>Directors' Report</b>	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
<b>Equity Security</b>	has the same meaning as in the Listing Rules.
<b>ESS</b>	means employee share schemes.
<b>Existing Plan</b>	means the existing employee incentive plan of the Company.
<b>Explanatory Memorandum</b>	means the explanatory memorandum which forms part of the Notice.
<b>Financial Report</b>	means the financial report contained in the Annual Report.
<b>Joint Lead Managers</b>	means Morgan Stanley Australia Securities Limited and Euroz Hartleys Limited.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company,



or if the Company is part of a consolidated entity, of an entity within the consolidated group.

<b>Listing Rules</b>	means the listing rules of ASX.
<b>Material Investor</b>	<p>means, in relation to the Company:</p> <ul style="list-style-type: none"><li>(a) a related party;</li><li>(b) Key Management Personnel;</li><li>(c) a substantial Shareholder;</li><li>(d) an advisor; or</li><li>(e) an associate of the above,</li></ul> <p>who received or will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.</p>
<b>Meeting</b>	has the meaning given in the introductory paragraph of the Notice.
<b>New Regime</b>	has the meaning in Section 7.1.
<b>Notice</b>	means this notice of annual general meeting.
<b>Placement</b>	has the meaning given in Section 10.1.
<b>Placement Shares</b>	means the 20,100,000 Shares issued under the Placement, the subject of Resolution 7.
<b>Plan</b>	means the proposed new Employee Securities Incentive Plan of the Company, the subject of Resolution 4.
<b>Plan Securities</b>	has the meaning in Section 8.1.
<b>Proxy Form</b>	means the proxy form attached to the Notice.
<b>Remuneration Report</b>	means the remuneration report contained in the Annual Report.
<b>Resolution</b>	means a resolution referred to in the Notice.
<b>Schedule</b>	means a schedule to the Notice.
<b>Section</b>	means a section of the Explanatory Memorandum.
<b>Securities</b>	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means the holder of a Share.
<b>Strike</b>	has the meaning in Section 4.1.



## Schedule 2      Summary of proposed Employee Incentive Plan

The following is a summary of the material terms and conditions of the new Plan:

1.     **(Eligible Participant):** A person is eligible to participate in the Plan (**Eligible Participant**) if they have been determined by the Board to be eligible to participate in the Plan from time to time and are an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company.  
  
This relevantly includes, amongst others:
  - (a)     an employee or director of the Company or an individual who provides services to the Company;
  - (b)     an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
  - (c)     a prospective person to whom paragraphs (a) or (b) apply;
  - (d)     a person prescribed by the relevant regulations for such purposes; or
  - (e)     certain related persons on behalf of the participants described in paragraphs (a) to (d) (inclusive).
2.     **(Maximum allocation):**
  - (a)     The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:
    - (i)     the total number of Plan Shares (as defined in paragraph 13 below) that may be issued or acquired upon exercise of the convertible securities offered; plus
    - (ii)    the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.
3.     **(Purpose):** The purpose of the Plan is to:
  - (a)     assist in the reward, retention and motivation of Eligible Participants;
  - (b)     link the reward of Eligible Participants to Shareholder value creation; and
  - (c)     align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
4.     **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.



5. **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

6. **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
7. **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

8. **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
9. **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

**Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.



A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

10. **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
11. **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules: any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

12. **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
13. **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
14. **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
15. **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.



Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

16. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
17. **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

18. **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.



# Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **2.00pm (WST) on Tuesday, 22 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

## Lodging your Proxy Voting Form:

### Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

### BY FACSIMILE:

+61 2 8583 3040

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

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