

# OCEAN GROWN ABALONE LIMITED

ACN 148 155 042

## NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

For the Annual General Meeting of Shareholders  
to be held on 27 November 2020 at 10:00am (WST)  
at Fremantle Sailing Club-Bridge Room, 151 Marine Terrace, Fremantle,  
Western Australia  
and accessible online

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

**IMPORTANT INFORMATION:** Due to the COVID-19 Pandemic, the AGM will be held as a hybrid meeting. If you are a shareholder and you wish to virtually attend the AGM, please pre-register in advance for the virtual meeting here:

[https://us02web.zoom.us/webinar/register/WN\\_dSzwM1qRS2d6t2V0mrJUq](https://us02web.zoom.us/webinar/register/WN_dSzwM1qRS2d6t2V0mrJUq)

*Shareholders are urged to vote by lodging the Proxy Form attached to this Notice.*

## ATTENDANCE AT ANNUAL GENERAL MEETING AND HOW TO VOTE

### Time and Place of Meeting

The Annual General Meeting of Ocean Grown Abalone Limited will be held at:

**Fremantle Sailing Club-Bridge Room  
151 Marine Terrace  
Fremantle, Western Australia, 6160**

**Commencing  
at 10:00am (WST)  
on 27 November 2020**

and will also be made available to Shareholders electronically through a virtual meeting accessible online.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to also hold the Annual General Meeting as a hybrid meeting accessible online, in a manner that is consistent with the temporary modifications to the Corporations Act introduced by the Commonwealth Treasurer.

In accordance with section 5(1)(f) of the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020* made by the Commonwealth Treasurer on 5 May 2020, the Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link: [www.oceangrown.com.au](http://www.oceangrown.com.au).

### Voting

To vote in person, attend the Annual General Meeting in person. However, given the significant health concerns attributed to the COVID-19 pandemic and restrictions issued by Australian state and federal governments, the Company strongly recommends that you consider attending the Meeting virtually.

Shareholders who wish to virtually attend the Meeting (which will be broadcast as a live webinar), please pre-register in advance for the virtual meeting here:

[https://us02web.zoom.us/webinar/register/WN\\_\\_dSzwM1qRS2d6t2V0mrJUq](https://us02web.zoom.us/webinar/register/WN__dSzwM1qRS2d6t2V0mrJUq)

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the Annual General Meeting. All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting by Shareholders who have indicated that they intend to vote at the Meeting in accordance with the instructions set out below in the Explanatory Statement.

To vote by proxy:

1. please lodge the Proxy Form online at <https://investor.automic.com.au/#/loginsh> by following the below instructions:

Login to the Automic website using the holding details as shown on the Proxy Form. Click on "Meetings – Vote". To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form; or

2. please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

**OCEAN GROWN ABALONE LIMITED**  
**ACN 148 155 042**

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the Annual General Meeting of the Shareholders of Ocean Grown Abalone Limited will be held at Fremantle Sailing Club-Bridge Room, 151 Marine Terrace, Fremantle, Western Australia on 27 November 2020 at 10:00am (WST) for the purpose of transacting the following business. Attendance will also be available to Shareholders electronically through a virtual meeting accessible online.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

**AGENDA**

**GENERAL BUSINESS**

**ACCOUNTS AND REPORTS**

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

**RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

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

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report in the Annual Report of the Company for the financial year ended 30 June 2020."*

**Voting exclusion:**

A vote in respect of the Resolution must not be cast (in any capacity) by or on behalf of any of the following persons (the "voter"):

- (a) a member of the key management personnel, details of whose remuneration are included in the remuneration report; or
- (b) a closely related party of such a member.

However, the voter may cast a vote on the Resolution as a proxy if the vote is not cast on behalf of a person described in paragraphs (a) or (b) and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the voter is the chair of the meeting and the appointment of the chair as proxy:
  - (i) does not specify the way the proxy is to vote on the Resolution; and
  - (ii) expressly authorises the chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the company.

## RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DANIELLE LEE

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

*"That Danielle Lee, who retires by rotation in accordance with rule 7.3 of the Constitution of the Company, and being eligible, offers herself for re-election, is hereby re-elected as a director of the Company."*

## RESOLUTION 3 – APPOINTMENT OF AUDITOR

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

*"That, for the purposes of section 327B(1) of the Corporations Act and all other purposes, BDO Audit (WA) Pty Ltd having been nominated by a Shareholder and having consented in writing to act as auditor, be appointed as auditor of the Company with effect from the close of the Meeting."*

## RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% CAPACITY

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

*"That, the Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A."*

## RESOLUTION 5 – APPROVAL TO ISSUE SECURITIES UNDER EMPLOYEE INCENTIVE SCHEME

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

*"That the issue of securities under the 'Employee Incentive Plan' for a period of 3 years from the Meeting is approved under and for the purposes of Listing Rule 7.2 Exception 13(b) and for all other purposes, on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the Employee Incentive Plan or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Restriction on proxy voting by key management personnel or closely related parties:**

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the key management personnel for the Company; or
  - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Where the chair is the related party the subject of the Resolution or is an associate of the related party, the chair cannot cast undirected proxies in respect of the Resolution.

## RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO IGNAZIO RICCIARDI

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

*"That the issue up to 1,000,000 Options to Ignazio Ricciardi or his nominees is approved under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14 and for all other purposes, on the terms set out in the Explanatory Statement."*

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person referred to in Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan or an associate of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Restriction on proxy voting by key management personnel or closely related parties:**

A person appointed as proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the key management personnel for the Company; or
  - (ii) a closely related party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the chair of the Meeting; and
- (d) the appointment expressly authorises the chair of the Meeting to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company.

Where the chair is the related party the subject of the Resolution or is an associate of the related party, the chair cannot cast undirected proxies in respect of the Resolution.

## VOTING AND PROXIES

1. A Shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by the person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
3. The chair of the Meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions, including Resolutions 1, 5 and 6. The Proxy Form expressly authorises the chair of the Meeting to exercise the proxy in relation to Resolutions 1, 5 and 6 even though these Resolutions are connected directly or indirectly with the remuneration of a member of key management personnel. Any undirected proxies held by a Director, any member of the key management personnel or any of their closely related parties (who are not the chair) will not be voted on Resolutions 1, 5 and 6.
4. Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling of the activities of the Company, directly or indirectly. Closely related parties are defined in the Corporations Act, and include certain family members, dependants and companies controlled by key management personnel.
5. In accordance with Regulation 7.11.37 of the Corporations Act, the Directors have set a date to determine the identity of those entitled to attend and vote at the Meeting. The date is 25 November 2020 at 5.00pm (WST).
6. A Proxy Form is attached. If required it should be completed, signed and returned to the Company's registered office in accordance with the instructions on that form. Voting online is available.

**By order of the Board**



**Bradley Adams**  
**Managing Director**

Dated: 20 October 2020

**OCEAN GROWN ABALONE LIMITED**  
**ACN 148 155 042**

**EXPLANATORY STATEMENT**

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This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

**HOW TO ATTEND THE VIRTUAL MEETING AND VOTE**

The persons who will be entitled to attend and vote at the Meeting are those persons (or their proxies or representatives) registered as holding Shares on the share register at 5:00pm (WST) on 25 November 2020.

Attending the Virtual Meeting

If you wish to virtually attend the Meeting (which will be broadcast as a live webinar), please **pre-register** in advance for the virtual meeting here:

[https://us02web.zoom.us/webinar/register/WN\\_dSzwM1qRS2d6t2VOmrJUq](https://us02web.zoom.us/webinar/register/WN_dSzwM1qRS2d6t2VOmrJUq)

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the Annual General Meeting.

Shareholders will be able to vote and ask questions at the virtual Meeting. Shareholders are also encouraged to submit any questions in advance of the Meeting to the Company. Questions must be submitted in writing to the Company at [info@oceangrown.com.au](mailto:info@oceangrown.com.au) at least 48 hours prior to the Meeting.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect of the formal items of business.

**Voting Virtually**

Shareholders who wish to vote virtually on the day of the Meeting will need to login to the Automic website (<https://investor.automic.com.au/#/home>) with their username and password.

Under section 5(1)(c) of the *Corporations (Coronavirus Economic Response) Determination (No. 1) 2020*, all votes that are submitted online will be taken on a poll via proxy or online voting. All resolutions will be decided on a poll.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting.

To create an account with Automic, please go to the Automic website (<https://investor.automic.com.au/#/home>), click on "register" and follow the steps. Shareholders will require their holder number (Shareholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

Shareholders who have an existing account with Automic are advised to take the following steps to attend and vote on the day of the Meeting:

1. Login to the Automic website (<https://investor.automic.com.au/#/home>) using your username and password.
2. Once registration for the virtual Meeting is open, click on "*Meeting open for registration*" and follow the steps.
3. Once live voting for the virtual Meeting is open, click on "*Meeting open for voting*" and follow the steps.

### Asking questions

A discussion will be held on all items to be considered at the Meeting. The Company will endeavour to give all Shareholders a reasonable opportunity to ask questions via the virtual Meeting platform, including an opportunity to ask questions of the Company's external auditor.

To ensure that as many Shareholders as possible have the opportunity to speak, shareholders are requested to observe the following:

- all Shareholder questions should be stated clearly and should be relevant to the business of the Meeting, including matters arising from the Annual Report and general questions about the performance, business or management of the Company;
- if a Shareholder has more than one question on an item, all questions should be asked at one time; and
- Shareholders should not ask questions at the Meeting regarding personal matters or those that are commercial in confidence.

## **1. FINANCIAL STATEMENTS AND REPORTS**

The business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at [www.oceangrown.com.au](http://www.oceangrown.com.au).

Shareholders will be offered the following opportunities:

- (a) discuss the annual financial report for the financial period ended 30 June 2020;
- (b) ask questions and make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit, preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

## **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

### **2.1 General**

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the Remuneration Report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.



The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' Report contained in the annual financial report of the Company for the financial year ending 30 June 2020.

A reasonable opportunity will be provided for questions about or comments on the Remuneration Report at the Annual General Meeting.

## **2.2 Voting Consequences**

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "Spill Resolution") that another general meeting be held within 90 days at which all of the Directors (other than the Managing Director) must go up for re-election.

## **2.3 Previous voting results**

At the Company's previous annual general meeting, the votes cast against the Remuneration Report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

## **2.4 Proxy restrictions**

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on this Resolution (Remuneration Report) by marking either "For", "Against" or "Abstain" on the Proxy Form for this Resolution.

If you appoint a member of the key management personnel whose remuneration details are included in the Remuneration Report (who is not the Chairman) or a closely related party of that member as your proxy, and you do not direct that person on how to vote on this Resolution, the proxy cannot exercise your vote and your vote will not be counted in relation to this Resolution.

The Chairman intends to vote all undirected proxies in favour of this Resolution. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on this Resolution, by signing and returning the Proxy Form you are giving express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention.

Key management personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's key management personnel for the financial year to 30 June 2020. Their closely related parties are defined in the Corporations Act, and include certain of their family members, dependants and companies they control.

## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – DANIELLE LEE**

Rule 7.3 of the Constitution requires that at each annual general meeting, one-third of directors for the time being (rounded down to the nearest whole number) shall retire from office. Additionally, Listing Rule 14.4 provides that a Director must retire from office no later than the longer of the third annual general meeting of the Company or 3 years following that Director's last election or appointment. The retirement rules do not apply to the managing director.

Danielle Lee was last re-elected as a Director at the 2017 annual general meeting. Danielle Lee retires by rotation in accordance with the Constitution, and being eligible, offers herself for re-election as a Director.

Danielle Lee is a non-executive director of the Company. Details of the qualifications and experience of Ms Lee is set out in the Company's 2020 Annual Report.

The Board of the Company recommends the re-election of Danielle Lee as a Director.

#### **4. RESOLUTION 3 – APPOINTMENT OF AUDITOR**

##### **4.1 Background**

As announced on 3 June 2020, following the outcome of an audit tender process, the Company appointed BDO Audit (WA) Pty Ltd (BDO) as the auditor of the Company.

The process involved in the appointment is the Company received the resignation of Stantons International Audit and Consulting Pty Ltd which occurred with ASIC's consent pursuant to section 329(5) of the Corporations Act. BDO was then appointed by the Board as auditor to fill a casual vacancy pursuant to section 327C of the Corporations Act. BDO holds office as auditor until the Company's next annual general meeting (being this Meeting).

By section 327B(1) of the Corporations Act, a public company must appoint an auditor to fill any vacancy in the office of auditor at each annual general meeting. An auditor so appointed holds office until the auditor dies, is removed or resigns from office, ceases to be capable of acting as an auditor or ceases to be an auditor.

By this Resolution the Company is seeking approval to the appointment of BDO as auditor with effect from the close of the Meeting.

In accordance with the Corporations Act, a Shareholder has given to the Company a written notice of nomination of BDO as auditor of the Company. A copy of this written notice is attached as Annexure 1. BDO has consented to the appointment as auditor pursuant to section 328A(1) of the Corporations Act.

##### **4.2 Recommendation**

The Directors of the Company recommend that Shareholders vote in favour of appointing BDO as the Company's auditor.

If this Resolution is not passed, there will be a vacancy in respect of the Company's auditor, which the Board will be obliged to fill within one month in accordance with section 327C of the Corporations Act.

#### **5. RESOLUTION 4 – APPROVAL OF ADDITIONAL 10% CAPACITY**

##### **5.1 Background**

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 securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An "*eligible entity*" means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities

without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

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

## 5.2 **Specific information required by Listing Rule 7.3A**

### (i) Period for which approval is valid

An approval under Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) The date that is 12 months after the date of the annual general meeting at which the approval is obtained.
- (b) The time and date of the Company's next annual general meeting.
- (c) The time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 or Listing Rule 11.2.

### (ii) Minimum price at which equity securities may be issued

Any equity securities issued under Listing Rule 7.1A must be in an existing quoted class of the eligible entity's equity securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- (b) if the securities are not issued within 10 Trading Days of the date in paragraph (a), the date on which the securities are issued.

### (iii) Purposes for which funds raised may be used

Equity securities can only be issued under Listing Rule 7.1A for a cash consideration. Funds raised by the issue of equity securities under Listing Rule 7.1A may be used for the continued development of the Company's current assets, the acquisition of new assets or other investments (including expenses associated with such acquisition), and for general working capital.

### (iv) Risk of economic and voting dilution

If this Resolution is approved by Shareholders and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the equity securities in that class may be significantly lower on the issue date than on the date of the Shareholder approval under Listing Rule 7.1A; and

- (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

The table below shows the potential dilution of existing Shareholders on the basis of 3 different assumed issue prices and values for variable "A" in the formula in Listing Rule 7.1A.2. This includes one example that assumes that "A" is double the number of Shares on issue at the time of the approval under Listing Rule 7.1A and that the price of Shares has fallen by 50%.

Number of Shares on Issue (Variable "A" in Listing Rule 7.1A.2)	Number of Shares issued under additional 10% capacity	Dilution		
		Funds raised based on issue price of 4.5 cents	Funds raised based on issue price of 9 cents	Funds raised based on issue price of 18 cents
		(50% decrease in current issue price)	(Current issue price)	(100% increase in current issue price)
200,742,780 (Current)*	20,074,278	903,343	1,806,685	3,613,370
301,114,170 (50% increase)*	30,111,417	1,355,014	2,710,028	5,420,055
401,485,560 (100% increase)*	40,148,556	1,806,685	3,613,370	7,226,740

\*The number of Shares on issue (variable "A" in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table has been prepared on the following assumptions:

1. The current Shares on issue are the Shares on issue as at 30 September 2020.
2. The issue price set out above is the closing price of the Shares on the ASX on 30 September 2020.
3. The Company issues the maximum number of equity securities available under the additional 10% capacity.
4. No Options are exercised into Shares before the date of the issue of the equity securities.

(v) Allocation Policy

The Company's allocation policy for the issue of equity securities under the additional 10% capacity will depend on the prevailing market conditions at the time of any proposed issue. The identity of the allottees of equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

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

The allottees under the additional 10% capacity have not been determined as at the date of this Notice but may include existing substantial shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company and may include new investors who have not previously been Shareholders.

(vi) Equity securities issued under Listing Rule 7.1A.2 in the previous 12 months

The Company has not issued or agreed to issue any equity securities under Listing Rule 7.1A.2 in the 12 months preceding this Meeting.

(vii) Voting Exclusion Statement

At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice and there is no voting exclusion statement.

## **6. RESOLUTION 5 – APPROVAL TO ISSUE SECURITIES UNDER EMPLOYEE INCENTIVE SCHEME**

### **6.1 Background**

The Board adopted the Employee Incentive Plan prior to listing on ASX in 2017 to enable the Company to issue Options or Performance Rights to eligible participants being employees (full and part-time), directors, relevant contractors, casual employees and prospective parties in these capacities.

The Employee Incentive Plan is intended to provide an opportunity to eligible participants to participate in the Company's future growth and assist with reward and retention of eligible participants.

The Employee Incentive Plan is an employee incentive scheme in accordance with the Listing Rules.

The Employee Incentive Plan was established before the Company was listed on ASX and the terms of the Employee Incentive Plan were summarised in the Company's initial public offer prospectus of 28 September 2017. This has meant that securities issued under the Employee Incentive Plan for a period of 3 years until 27 September 2020 to eligible participants that are not Directors or Listing Rule 10.14 parties, are excluded in calculating the placement limit in Listing Rule 7.1.

The Employee Incentive Plan is in accordance with ASIC Class Order 14/1000, as amended, which expanded the class of financial products that could be offered (ie performance or incentive rights can be issued as well as shares and options) and expanded the categories of persons who can participate (ie certain contractors and casual employees).

A summary of the Employee Incentive Plan is set out in Schedule 1.

### **6.2 Listing Rule 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 securities it had on issue at the start of that period.

Although Shareholder approval is not required under the Corporations Act or the Listing Rules for the operation of the Employee Incentive Plan itself, Listing Rule 7.2 Exception 13(b) provides that an issue of securities under an employee incentive scheme (such as the Employee Incentive Plan) will not be included in calculating the Company's placement limit in Listing Rule 7.1 if it is made within 3 years after shareholders approve the issue of equity securities under the scheme as an exception to the placement limit.

By this Resolution the Company is seeking approval to issue securities under the Employee Incentive Plan for a period of 3 years from the Meeting to eligible participants who are not Directors or Listing Rule 10.14 parties, so that the issue of securities is excluded in calculating the placement limit in Listing Rule 7.1.

This will enable the Company to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval to such issues under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with issues of securities under the Employee Incentive Plan for a period of 3 years from the Meeting and these issues will be excluded in calculating the Company's placement limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval.

If this Resolution is not passed, any issues of securities under the Employee Incentive Plan will be included in calculating the Company's placement limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval.

For Shareholders to approve the issue of securities under the Employee Incentive Plan for a period of 3 years from the Meeting, the following information is provided to Shareholders in accordance with Listing Rule 7.2 Exception 13(b):

- (a) A summary of the Employee Incentive Plan is set out in Schedule 1. Options or Performance Rights may be issued under the Employee Incentive Plan to eligible participants.
- (b) The number of securities issued under the Employee Incentive Plan since the Company listed on ASX on 14 November 2017 is 342,391 Performance Rights.
- (c) The maximum number of equity securities proposed to be issued under the Employee Incentive Plan following Shareholder approval sought by this Resolution is 10,000,000 equity securities.

Any equity securities proposed to be issued under the Employee Incentive Plan to a Director or Listing Rule 10.14 party will require separate Shareholder approval under Listing Rule 10.14 of the Listing Rules.

### 6.3 Recommendation

The Board recommends that Shareholders approve the issue of securities under the Employee Incentive Plan as it will allow the Company to issue such securities for the benefit of eligible participants for a period of 3 years from the Meeting whilst preserving the Company's placement limit in Listing Rule 7.1 and will provide flexibility in the manner in which the Employee Incentive Plan is managed.

## 7. RESOLUTION 6 – APPROVAL TO ISSUE OPTIONS TO IGNAZIO RICCIARDI

### 7.1 General

The Board consists of Peter Harold (Non-Executive Chairman), Bradley Adams (Managing Director), Ignazio Ricciardi (Non-Executive Director) and Danielle Lee (Non-Executive Director).

This Resolution seeks Shareholder approval so that the Company may issue Options as an incentive to Ignazio Ricciardi, a non-executive director of the Company.

Shareholder approval is required for the purposes of Chapter 2E of the Corporations Act (section 208) and Chapter 10 of the Listing Rules because Ignazio Ricciardi as a Director is a related party of the Company. Shareholder approval is being sought under Listing Rule 10.14 as the securities are being issued under an employee incentive scheme. Each of Chapter 2E and Listing Rule 10.14 are dealt with separately below.

### 7.2 Chapter 2E of the Corporations Act - Related Party Transaction

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

For the purposes of Chapter 2E, Ignazio Ricciardi as a Director is a related party of the Company.

The issue of Options to a related party is a financial benefit requiring shareholder approval in the absence of a specified exception applying.

For the purpose of Chapter 2E of the Corporations Act the following information is provided.

- (a) *The related party to whom the resolutions would permit the financial benefit to be given*

The related party is Ignazio Ricciardi or his nominees.

- (b) *The nature of the financial benefit*

The nature of the financial benefit is the issue of up to 1,000,000 Options.

The Options will have an exercise price of 150% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting and an expiry date of 27 November 2023. The full terms of the Options are set out in Schedule 2.

- (c) *Reasons for giving the benefit and Directors' Recommendation*

The purpose of the issue of the Options is to incentivise Ignazio Ricciardi to provide ongoing dedicated services and provide remuneration linked to the performance of the Company. The benefit will only be received from the Options upon the Company's Share price exceeding the exercise price of the Options and thereby warranting their exercise.

Under the Company's current circumstances, the Directors consider that the incentive, represented by the issue of these Options, is a cost effective and efficient reward and incentive to be provided to the Director by the Company, as opposed to alternative forms of incentive, such as the payment of cash compensation. In addition, the Directors independent of Ignazio Ricciardi consider it prudent to make payment by way of the options

so as to preserve the cash reserves of the Company.

The Directors independent of Ignazio Ricciardi (being the 3 other Directors that are not the subject of this Resolution) consider that the quantity of Options together with the terms of the Options constitutes an appropriate number to adequately incentivise Ignazio Ricciardi in light of Ignazio Ricciardi's skill and experience and his current remuneration as detailed below.

The Company acknowledges that the issue of the Options to Ignazio Ricciardi as a non-executive director may be contrary to guidelines for non-executive director remuneration in the ASX Corporate Governance Principles and Recommendations, 4<sup>th</sup> Edition suggesting that non-executive directors should not receive performance based remuneration. However, the Board considers the issue of the Options to be reasonable in the circumstances given the Company's size and stage of development and the importance of maintaining the Company's cash reserves.

The Directors independent of Ignazio Ricciardi recommend that Shareholders vote in favour of the Resolution.

Ignazio Ricciardi abstains from making a recommendation as a Director to Shareholders on this Resolution as he has a material personal interest in the outcome as the recipient of the Options.

(d) *Current total remuneration package*

The current remuneration received by Ignazio Ricciardi is \$40,500 per year director's fee inclusive of superannuation.

(e) *Existing relevant interests*

As at the date of this Notice, Ignazio Ricciardi has a relevant interest in securities of the Company as follows:

	<b>Shares</b>
Ignazio Ricciardi	16,521,127

(f) *Dilution*

The passing of this Resolution would have the effect of issuing Ignazio Ricciardi up to 1,000,000 Options.

If any of the Options are exercised into Shares, the effect will be to dilute the shareholding of existing Shareholders. If all the 1,000,000 Options were exercised into Shares, the effect would be to dilute the shareholding of the existing Shareholders by approximately 0.50% based on the total number of Shares on issue at the date of this Notice of 200,742,780.

(g) *Trading history*

The following table gives details of the highest, lowest and the latest closing price of the Company's Shares trading on the ASX over the last 12 months.



	<b>Closing Price</b>	<b>Date</b>
Highest Price	16.3 cents	11 November 2019
Lowest Price	7.1 cents	24 March 2020
Latest Price	9.0 cents	7 October 2020

(h) *Valuation of Options*

The Company's independent advisers, BDO Corporate Finance (WA) Pty Ltd, have valued the Options to be issued to Ignazio Ricciardi by reference to the Black and Scholes valuation model.

The following assumptions have been made regarding the inputs required for the model:

	<b>Input</b>	<b>Note</b>
Number of Options	1,000,000	
Underlying share spot price	9.0 cents	1
Exercise Price	assumed 13.5 cents	2
Dividend rate	Nil	3
Risk free rate	0.18%	4
Volatility	75%	5
Life of the Options	3 years	6
Valuation	3.4 cents	

Note 1: The underlying Share spot price used for the purpose of the valuation is based on the closing Share price of 9.0 cents on 5 October 2020.

Note 2: The exercise price is 150% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting. The example uses 13.5 cents being 150% of the underlying Share spot price of 9 cents.

Note 3: No dividends are expected to be paid during the life of the Options.

Note 4: The risk free rate is based on the Commonwealth Government 3 year bond rate of 0.18% at 5 October 2020.

Note 5: The volatility was calculated from the Company's historical trading volatility over 1, 2 and 3 year periods and is 75%.

Note 6: The life of the Options has been assumed to be 3 years expiring on 27 November 2023, the final date for exercise of the Options.

Based on the above assumptions, the Options have been valued as follows:

<b>Number and Value of Options</b>	
Ignazio Ricciardi	1,000,000 Options – 3.4 cents each (\$34,000)

(i) *Other information*

The Directors do not consider that there are opportunity costs to the Company or benefits foregone by the Company in issuing the Options.

The Directors are not aware of any other information that is reasonably required by Shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass the Resolution.

### 7.3 **Listing Rule 10.14**

The Company is proposing to issue Options to Ignazio Ricciardi, a Director under the Employee Incentive Plan, which is an employee incentive scheme ("**Issue**").

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) Listing Rule 10.14.1 – a director of the listed company;
- (b) Listing Rule 10.14.2 – an associate of a director of the listed company; or
- (c) Listing Rule 10.14.3 – a person whose relationship with the listed company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Issue falls within Listing Rule 10.14.1 above and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

This Resolution seeks the required Shareholder approval to the Issue under and for the purposes of Listing Rule 10.14.

If this Resolution is passed, the Company will be able to proceed with the Issue and Ignazio Ricciardi will be able to be issued the Options under the Employee Incentive Plan.

If this Resolution is not passed, the Company will not be able to proceed with the Issue and this incentive will not be issued to Ignazio Ricciardi. No other replacement incentive is currently proposed.

### 7.4 **Listing Rule 10.15**

For Shareholders to approve the issue of the Options under and for the purposes of Listing Rule 10.14, the following information is provided to Shareholders in accordance with Listing Rule 10.15:

- (a) The securities will be issued to Ignazio Ricciardi or his nominees.
- (b) Ignazio Ricciardi is a Director and is a Listing Rule 10.14.1 party.
- (c) The number of securities the Company will issue is up to 1,000,000 Options.
- (d) The current total remuneration package of Ignazio Ricciardi is set out in Section 7.2 above.
- (e) No securities have previously been issued to Ignazio Ricciardi under the Employee Incentive Plan.

- (f) The securities to be issued are Options with an exercise price being 150% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting and an expiry date of 27 November 2023. The full terms of the Options are set out in Schedule 2. Options are being issued under the Employee Incentive Plan as the Directors consider this incentive is a cost effective and efficient reward and incentive and will preserve the cash reserves of the Company as opposed to the payment of cash compensation. The value of the Options with the disclosure of the assumptions is set out in Section 7.2(h) above.
- (g) The securities are intended to be issued within 1 week of the Meeting.
- (h) The Options will be issued for no consideration and there is no issue price.
- (i) The material terms of the Employee Incentive Plan are summarised in Schedule 1.
- (j) No loan will be made to Ignazio Ricciardi in relation to the issue of the Options under the Employee Incentive Plan.
- (k) Details of any securities issued under the Employee Incentive Plan to Listing Rule 10.14 parties will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Incentive Plan after this Resolution is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

**OCEAN GROWN ABALONE LIMITED**  
**ACN 148 155 042**

**GLOSSARY**

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In the Notice and this Explanatory Statement the following expressions have the following meanings:

"**Annual General Meeting**" or "**Meeting**" means the meeting convened by this Notice.

"**ASIC**" means Australian Securities and Investments Commission.

"**ASX**" means the ASX Limited (ACN 008 624 691).

"**ASX Listing Rules**" or "**Listing Rules**" means the Listing Rules of the ASX.

"**Board**" means the Board of Directors of the Company.

"**Chair**" or "**Chairman**" means the chairperson of the Company.

"**Company**" or "**OGA**" means Ocean Grown Abalone Limited (ACN 148 155 042).

"**Constitution**" means the constitution of the Company.

"**Corporations Act**" means Corporations Act 2001 (Cth).

"**Directors**" mean the directors of the Company from time to time.

"**Employee Incentive Plan**" means the Ocean Grown Abalone Employee Incentive Plan, with the terms summarised in Schedule 1.

"**equity securities**" has the same meaning as in the Listing Rules.

"**Explanatory Statement**" means this Explanatory Statement.

"**Notice**" means the notice of meeting that accompanies this Explanatory Statement.

"**Option**" means an option to subscribe for a Share.

"**Performance Right**" means a right to acquire a Share subject to the satisfaction of applicable vesting conditions.

"**Resolution**" means a resolution referred to in the Notice.

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

"**Shareholder**" means a registered holder of Shares in the Company.

"**Trading Day**" has the same meaning as in the Listing Rules.

"**VWAP**" means the volume weighted average price.

"**WST**" means Western Standard Time, Perth, Western Australia.

"**A\$**" or "**\$**" means Australian dollars unless otherwise stated.

## ANNEXURE 1

### NOTICE OF NOMINATION OF AUDITOR (Resolution 3)

The Company Secretary  
Ocean Grown Abalone Limited  
Level 3, 3 Cantonment Street  
FREMANTLE WA 6160

Dear Sir

#### **Nomination of Auditor**

I, Mrs Dianne Hounsom, being a member of Ocean Grown Abalone Limited, hereby nominate BDO Audit (WA) Pty Ltd of Level 1, 385 Station Street, Subiaco, Western Australia for appointment as auditor of Ocean Grown Abalone Limited at the Company's next annual general meeting or any adjournment thereof.

I consent to the distribution of a copy of this notice of nomination as an annexure to the notice of meeting for the 2020 annual general meeting of Ocean Grown Abalone Limited in accordance with section 328B(3) of the Corporations Act.

Yours faithfully



Mr Dianne Hounsom

## SCHEDULE 1

### Terms of Employee Incentive Plan (Resolution 5)

- 1. Purpose** The purpose of the Employee Incentive Plan is to provide an incentive for eligible participants to participate in the future growth of the Company and to offer any of Options or Performance Rights to assist with reward, retention, motivation and recruitment of eligible participants.
- 2. Eligible Participants** Eligible participants are a full or part-time employee, or a director of the Company or a subsidiary, relevant contractors and casual employees and prospective parties in these capacities ("Eligible Participants").
- 3. Offers** Subject to any necessary Shareholder approval, the Board may offer Options or Performance Rights to Eligible Participants for nil consideration.
- 4. Expiry Date** The expiry date of any Options or Performance Rights will be determined by the Board.
- 5. Vesting Conditions and Lapse**

An Option or Performance Right may only be exercised after it has vested and before its expiry date. The Board may determine the conditions upon the vesting of the Options or Performance Rights at its discretion. By way of example, the Board may impose Share price and/or continuous service vesting hurdles.

An Option or Performance Right lapses upon various events including a vesting condition not being satisfied, a participant ceasing to be an Eligible Participant (except for certain matters such as death or permanent disablement) and upon misconduct by a participant.
- 6. Shares issued on vesting** Each Option or Performance Right entitles the holder to one fully paid ordinary share on exercise or vesting.
- 7. Transferability and quotation** An Option or Performance Right may not be transferred without the prior written approval of the Board or by force of law. Quotation of the Options or Performance Rights on the ASX will not be sought. However, the Company will apply for official quotation of Shares issued on the exercise of the Options or vesting of the Performance Rights.
- 8. No voting or dividend rights** The Options or Performance Rights are personal and do not confer any entitlement to attend or vote at meetings, any entitlement to dividends or any entitlement to participate in any return of capital unless the Options or Performance Rights are vested and the underlying Shares have been issued.
- 9. No participation rights** The Options or Performance Rights do not entitle the holder to participate in the issue of securities unless the Options or Performance Rights are exercised or vested and Shares have been issued before the record date for determining entitlements.
- 10. Limitation on number of securities** Securities to be issued under the Employee Incentive Plan in any 3 year period must not exceed 5% of the total number of Shares on issue at the time of the relevant offer. Various excluded offers may be disregarded so as to not count for the 5% limit being any offer to a person outside

Australia, an offer not requiring disclosure to investors because of section 708 of the Corporations Act or an offer made under a disclosure document.

- 11. Administration of the Employee Incentive Plan**

The Employee Incentive Plan will be administered under the directions of the Board and the Board may determine procedures for the administration of the Employee Incentive Plan as it considers appropriate.
- 12. Operation**

The operation of the Employee Incentive Plan is subject to the Listing Rules and the Corporations Act.
- 13. Application of Subdivision 83A-C of the *Income Tax Assessment Act 1997 (Cth)***

Subdivision 83A-C (deferred inclusion of gain in assessable income) of the *Income Tax Assessment Act 1997 (Cth)* applies to the Employee Incentive Plan and holders of securities issued under the Employee Incentive Plan may agree to a restriction period for the disposal or transfer of the securities including any underlying securities.

## **SCHEDULE 2**

### **Terms of Options (Resolution 6)**

The terms of the Options are:

1. Each Option entitles the holder to one Share (fully paid ordinary share) upon exercise of the Option.
2. The exercise price of the Options is 150% of the VWAP for the 5 Trading Days on which Shares trade prior to the Meeting.
3. The Options are exercisable at any time prior to 5.00 pm WST on 27 November 2023 (Expiry Date).
4. The Options are only transferable with Board approval. The Options are not intended to be quoted.
5. The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The Options may be exercised wholly or in part by completing the Notice of Exercise and delivering it together with payment to the secretary of the Company to be received any time prior to the Expiry Date. The Company will process all relevant documents received at the end of every calendar month.
6. Upon the exercise of an Option and receipt of all relevant documents and payment, the holder will be issued a Share ranking equally with the then issued Shares.
7. There will be no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues of capital which may be offered to Shareholders during the currency of the Options. Thereby, the Optionholder has no rights to a change in the exercise price of the Option or a change to the number of underlying securities over which the Option can be exercised except in the event of a bonus issue. However, the Company will ensure that the Optionholder will be notified of a proposed issue after the issue is announced. This will give an Optionholder the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
8. If there is a bonus issue (Bonus Issue) to Shareholders, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder would have received if the Option had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue, and upon issue will rank equally in all respects with the other Shares on issue as at the date of issue of the Bonus Shares.
9. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the Expiry Date, all rights of an Optionholder are to be changed in a manner consistent with the Listing Rules.





Ocean Grown Abalone Limited | ABN 52 148 155

# Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Wednesday, 25 November 2020**, 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

**All enquiries to Automic:**

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

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

