

COMMS GROUP LIMITED ACN 619 196 539 NOTICE OF ANNUAL GENERAL MEETING ('AGM') 2021

Dear Shareholder,

I am pleased to invite you to attend the Annual General Meeting ('AGM') of Comms Group Limited ACN 619 196 539 (**Company**) to be held at 11:00am (AEDT) on Tuesday, 23 November 2021.

In response to Government restrictions and the potential health risks arising from the coronavirus (COVID-19) pandemic, this year the Company's Annual General Meeting will be held online as a virtual AGM.

Formal business to be conducted at the 2021 AGM includes:

- Consideration of the FY21 Financial Statements and Reports;
- Adoption of the FY21 Remuneration Report;
- Re-election of Director;
- Issue of performance rights to a Director; and
- Approval of additional 10% placement capacity.

Enclosed is a Notice of Annual General Meeting with an explanatory memorandum including full detail on each of the above-mentioned items, together with your personalised proxy form.

As this is a virtual AGM, we encourage you to lodge your proxy vote in advance online at

<https://www.votingonline.com.au/ccgagm2021> or by returning the enclosed hard copy form in the reply-paid envelope to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001.

The Annual Report contains the Company's financial report for the period ended 30 June 2021, the Directors' Report (including the Remuneration Report) and the Auditor's Report. If you have not elected to receive a hard copy Annual Report, an electronic copy is available on the company's website at www.commschoice.com/about/investors/annual-reports.

Investor related questions are welcomed prior to the AGM. Questions can be directed to the Company Secretary via email: companysecretary@commschoice.com or via post: Level 6, 56 Clarence Street, Sydney NSW 2000 by no later than Friday, 19 November 2021.

Comms Group Limited CEO, Peter McGrath, will present to you a review of our activities in FY21 and our future growth strategy.

We look forward to welcoming you to the Company's virtual AGM.

Yours sincerely,



John Mackay
Chairman



NOTICE OF 2021 ANNUAL GENERAL MEETING ('AGM')

Comms Group Limited
ACN: 619 196 539

Notice is hereby given that the AGM of the Shareholders of Comms Group Limited (**Company**) will be held:

- on Tuesday, 23 November 2021
- at 11:00am (AEDT)
- as a virtual AGM.

IMPORTANT NOTICE

Due to the ongoing COVID-19 pandemic, Shareholders are asked to avoid attending the meeting in person.

Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

The *Treasury Laws Amendment (2021 Measures No. 1) Act 2021 (Act)* was given Royal Assent on 13 August 2021 and the Act permits electronic meetings. No hard copy of the Notice of Meeting and Explanatory Statement will be circulated and the Notice of Meeting has been given to those entitled to receive it by one or more technologies. The Notice of Meeting is also available on the Australian Securities Exchange Market Announcements platform and on the Company's website at <https://commsgroup.limited>

This Notice of Annual General Meeting and Explanatory Memorandum contains an explanation of, and important information about, the matters to be considered at the AGM. It is given to the Shareholders to help them determine how to vote on the Resolutions.

Shareholders should read this Notice of Annual General Meeting and Explanatory Memorandum in full before deciding if and how to vote on the Resolutions. If you are in doubt about what to do in relation to the Resolutions, you should consult your financial or other professional adviser.

ONLINE VOTING PROCEDURES DURING THE AGM:

Shareholders who wish to participate in the AGM online may do so:

- a. From their computer, by entering the URL into their browser: <https://web.lumiagm.com/338558764>
- b. From their mobile device by either entering the URL in their browser: <https://web.lumiagm.com/338558764> or by using the Lumi AGM app, which is available by downloading the app from the Apple App Store or Google Play Store.

If you choose to participate in the AGM online or through the app, you can log in to the meeting by entering:

1. Your username, which is your Voting Access Code (VAC), which can be located on the first page of your proxy form or Notice of Meeting email.
2. Your password, which is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the user guide for their password details.
3. If you have been nominated as a third-party proxy, please contact Boardroom on 1300 737 760

Attending the meeting online enables shareholders to view the AGM live and to also ask questions and cast direct votes at the appropriate times whilst the meeting is in progress.

More information regarding participating in the AGM online can be found by visiting <https://commsgroup.limited> or at the end of this Notice of Meeting

ORDINARY BUSINESS

Item 1: Financial Statements and Reports

To receive and consider the Financial Report, the Director's Report and the Auditor's Report for the Company and its controlled entities for the year ended 30 June 2021.

Note: There is no requirement for the Shareholders to approve these reports.

Resolution 1: Remuneration Report

To consider and, if thought fit, pass the following resolution as an ordinary 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 as contained in the Company's annual financial report for the financial year ended 30 June 2021."

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

Resolution 2: Re-election of Director – Mr Ben Jennings

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

"That Ben Jennings, a non-executive director of the Company who retires from the office of Director by rotation in accordance with the Constitution and ASX Listing Rule 14.4, being eligible and offering himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Election of Director – Mr Ryan O'Hare

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

"That Ryan O'Hare, a non-executive director of the Company who was appointed as a casual vacancy and retires from the office of Director in accordance with the Constitution and ASX Listing Rule 14.4, being eligible and offering himself for re-election, be elected as a Director of the Company."

Resolution 4: Approval of Peter McGrath's participation in CCG Performance Rights Plan

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the participation of Peter McGrath in CCG's Performance Rights Plan on the terms set out in the Explanatory Memorandum to this Notice of Meeting be approved."

Resolution 5: Approval of additional 10% placement capacity

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

"That for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the Company having the additional capacity to issue Shares up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to ASX Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum."

VOTING EXCLUSIONS

1. A vote on **Resolution 1** must not be cast (in any capacity) by or on behalf of any of the following persons:
 - 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, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- a) the voter 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:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. The Company will disregard any votes cast in favour of each of **Resolution 4** by or on behalf of:

- a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Performance Rights Plan in question; or
- b) **any associates of those persons**.

However, the Company need not disregard a vote cast in favour of this Resolution by or on behalf of:

- 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
- 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
- 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.

In addition, a vote must not be cast on Resolution 4 as a proxy by a member of the KMP at the date of the AGM, or a Closely Related Party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting because the proxy appointment expressly authorises the Chair of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP. Peter McGrath is the only Director for whom approval is being sought for a grant of Performance Rights.

3. The Company will disregard any votes cast in favour of **Resolution 5** (in any capacity) by or on behalf of any of the following persons:
 - a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares in the Company); or
 - b) any Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing 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; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (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.

The Chairman intends to vote undirected proxies (where he has been appropriately authorised) in favour of Resolutions 4 and 5.

By Order of the Board



Andrew Metcalfe
Company Secretary

18 October 2021

VOTING INSTRUCTIONS

Voting Entitlements

It has been determined (in accordance with section 1074E(2)(g)(i) of the Corporations Act and regulation 7.11.37 of the Corporations Regulations 2001 (Cth)) that for the purposes of the Meeting, the Company's shares will be taken to be held by the persons who are the registered Shareholders of the Company at 7.00pm (Melbourne time) on 21 November 2021. Accordingly, those persons are entitled to attend and vote (if not excluded) at the Meeting.

If you are not the registered holder of a relevant Share at that time, you will not be entitled to vote at the Meeting.

Corporate Representatives

A body corporate which is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.

How to Vote

You may vote by attending the Meeting virtually, by proxy or authorised representative. Registration will commence just prior to the Meeting. To vote in person, attend the Meeting virtually on the date and at the place set out above.

Voting at the Meeting

Ordinary resolutions require the support of at least 50% of the votes cast. Special resolutions require the support of at least 75% of the votes cast. Resolutions 1 to 4 are ordinary resolutions. Resolutions 5 and 6 are special resolutions.

A Poll will be held on all resolutions.

Every Shareholder eligible to vote on the particular Resolution who is present in person or by proxy, representative or attorney will have one vote for each Share held by that person.

Please note: Due to COVID-19 current social distancing requirements, this meeting will be held as a virtual meeting. it is recommended that shareholders submit a directed proxy and any questions in advance of the meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 3 9867 7199.

Proxy Votes

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Shareholders and their proxies should be aware of the requirements under the Corporations Act, as they will apply to this meeting.

A member who is entitled to vote at the Meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; or
- (b) one or two proxies if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a member of the Company.

If you require an additional proxy form, the Company will supply it on request.

The proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Company, at least 48 hours before the time for holding the Meeting (i.e. by no later than 11.00am (AEDT) on 21 November 2021), at:

- (a) online: <https://www.votingonline.com.au/ccgagm2021>;
- (b) by mail: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia;
- (c) by fax: + 61 2 9290 9655; or
- (d) by hand: Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 Australia

Proxies given by corporate Shareholders must be executed in accordance with their constitutions, or under the hand of a duly authorised attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with that direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If a Shareholder appoints the chairperson of the Meeting as the Shareholder's proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that Shareholder, in favour of the item on a poll.

You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the Proxy Form

Voting Intention of the Chair for all Resolutions

Shareholders should be aware that any undirected proxies given to the Chair are intended to be cast by the Chair and counted in favour of the Resolutions the subject of this Meeting, subject to compliance with the Corporations Act. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum forms part of this Notice of Meeting and has been prepared to provide Shareholders of the Company with sufficient information to consider the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company. The Annual General Meeting of the Company will be held on 23 November 2021 commencing at 11.00am (AEDT) and be held as a virtual meeting via Zoom.

The Directors recommend that Shareholders read this Explanatory Memorandum carefully and in its entirety before making any decision in relation to the Resolutions.

Certain terms and abbreviations used in this Explanatory Memorandum have defined meanings which are explained in the Glossary appearing at the end of this Explanatory Memorandum.

FINANCIAL STATEMENTS AND REPORT – YEAR ENDED 30 JUNE 2021

The Corporations Act requires:

- the reports of the directors and auditors; and
- the annual financial report, including the financial statements of the Company,

for the financial year ended 30 June 2021, to be laid before the Annual General Meeting. Neither the Corporations Act nor the Constitution require a vote of Shareholders on the reports or statements. However, Shareholders as a whole will be given a reasonable opportunity to raise questions or comments on the management of the Company.

Also, a reasonable opportunity will be given to Shareholders as a whole at the AGM to ask the Company's auditor questions relevant to the conduct of the audit, the 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.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. Shareholders can access a copy of the annual report on the Company's website at <https://commsgroup.limited>.

RESOLUTIONS

Resolution 1: Non-Binding Resolution to adopt Remuneration Report

The Directors' report for the year ended 30 June 2021 contains a Remuneration Report which sets out the policy for the remuneration of the Directors and key executives of the Company. The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted be put to the Company's shareholders. However, section 250R (3) of the Corporations Act expressly provides that the vote on the Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share-based compensation. The remuneration report is part of the Directors' report contained in the annual financial report of the Company for a financial year.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

A reasonable opportunity for discussion of, and comment on, the Remuneration Report will be provided by the Chairman at the Annual General Meeting.

Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual

general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

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 Annual General Meeting.

Resolution 2: Re-election of Director – Mr Ben Jennings

Pursuant to rule 63 of the Constitution, retiring director Ben Jennings, being eligible to do so, has offered himself for re-election.

Mr Jennings is a non-executive director of the Company and was appointed on 11 October 2017, prior to the Company's listing on ASX.

This Resolution seeks Shareholder approval of the re-election of Mr Ben Jennings.

Profile of Mr Ben Jennings

Ben (B.Bus, CA) has spent almost 18 years as an accountant working in both commercial and public practice roles in both Australia and the United Kingdom. Ben established middle market advisory firm Jennings Partners Chartered Accountants in early 2009 to provide commercial advisory, mergers and acquisition, income taxation, and Finance Director/ Chief Financial Officer services to SME businesses, venture capital and private equity groups.

Ben is Chairman of the Audit Compliance and Risk Management Committee.

The Board (excluding Ben Jennings, who abstains from making a recommendation) support the re-election of Ben and recommends that Shareholders vote in favour of Resolution 2.

Resolution 3: Election of Director – Mr Ryan O'Hare

Pursuant to rule 62 of the Constitution, retiring director Ryan O'Hare, being eligible to do so, has offered himself for re-election.

Mr O'Hare is a non-executive director and was appointed on 1 February 2021.

This Resolution seeks Shareholder approval of the election of Mr Ryan O'Hare.

Profile of Mr Ryan O'Hare

Ryan has founded a number of highly successful companies starting with CorpTEL Communications, which in 1998 became one of the largest privately owned telecommunication companies in Australia before its sale to AAPT, People Telecom in 2000 that is now part of the Vocus Group and Next Telecom, this is no now part of Comms Group. Ryan also founded & chairs one of Australia's largest SME energy only retailers, Next Business Energy.

Ryan is a Member of the Audit Compliance and Risk Management Committee.

The Board (excluding Ryan O'Hare, who abstains from making a recommendation) support the election of Ryan and recommends that Shareholders vote in favour of Resolution 3.

Resolution 4: Approval of Peter McGrath participation in CCG Performance Rights Plan

The Board proposes to grant Performance Rights under the CCG Performance Rights Plan (PRP) to Peter McGrath, CEO and Managing Director of the Company.

Peter McGrath was appointed a non-executive director on 11 October 2017 and Managing Director on 18 April 2019. The terms of the Performance Rights proposed to be granted are set out below. The terms of issue under the PRP are the same as those presented to and approved by shareholders at the General Meeting held on 23 July 2019.

The Board believes the PRP will:

- (a) encourage participants to focus on creating value for Shareholders;
- (b) link reward with the achievement of long-term performance in the Company;
- (c) encourage participants to remain with the Company by providing them with the opportunity to hold a financial stake in the Company; and
- (d) assist in the Company attracting high calibre Directors and employees.

Approval for the purposes of the ASX Listing Rules

ASX Listing Rule 10.14 provides that an entity must only allow Directors or their associates to acquire securities under an employee incentive scheme with the approval of shareholders and provided the Notice of Meeting complies with the requirements set out in ASX Listing Rules 10.15. Pursuant to ASX Listing Rule 7.2 (Exception 14), issues of securities that receive shareholder approval under ASX Listing Rule 10.14 do require approval under ASX Listing Rule 7.1. The PRP is an employee incentive scheme for the purposes of the ASX Listing Rules.

The Board proposes to invite Peter McGrath to be granted Performance Rights under the PRP and therefore seeks shareholder approval under ASX Listing Rule 10.14. The Performance Rights are issued in lieu of the level of Director fees paid.

Pursuant to ASX listing rule 10.15.4, the director's current remuneration is \$323,568 (including superannuation).

Pursuant to ASX listing rule 10.15.5, the director has previously been issued equity securities under the PRP.

Pursuant to ASX listing rule 10.15.6 and 10.15.9, a summary of the material terms of the equity securities and their value are listed in Table A and Table B below.

Terms on which Performance Rights will be granted to Directors

TABLE A: The key terms of the Performance Rights to be granted under the PRP to the Director are set out in the following table:

Terms	Details
Number of Performance Rights	Executive Director: Peter McGrath will be granted 4 million Performance Rights (two separate tranches of 2 million each). Performance Rights are not quoted but are listed under ASX Code CCGAC
Price payable to acquire Performance Rights	Nil
Exercise Price	Nil (i.e., no amount is payable to exercise a Performance Right to acquire a Share in the Company)
Term or Expiry Date	5 years from the date of grant
Vesting Conditions	The Performance Rights to be granted to Directors will vest in the manner set out in the tables below, provided the following conditions are met: I. The Directors continue to provide services to the Company up to the date the Board makes a determination that the Vesting Conditions are met (Vesting Period); and

II. the time (minimum vesting period) and share price hurdles set out below are satisfied:

TRANCHE A (applies to 50% of the total number of Performance Rights that may vest)	
Share price hurdle	Minimum Vesting Period
CCG Share price hurdle of \$0.20 achieved during the Term <i>*The share price hurdle must be reached on at least 20 consecutive trading days at any time during the Term of the Performance Rights in order to satisfy this hurdle.</i>	18 months from the Grant Date ¹
TRANCHE B (applies to 50% of the total number of Performance Rights that may vest)	
Share price hurdle	Minimum Vesting Period
CCG Share price hurdle of \$0.30 achieved during the Term <i>*The share price hurdle must be reached on at least 20 consecutive trading days at any time during the Term of the Performance Rights in order to satisfy this hurdle.</i>	30 months from the Grant Date ¹

¹ This means that Performance Rights cannot vest until this minimum vesting period has been satisfied, regardless of when the share price hurdles are achieved.

If the above Vesting Conditions are not satisfied, or if the Board determines that they cannot be satisfied, the Directors will forfeit Performance Rights (unless the Board exercises its discretion to permit those Performance Rights to vest in accordance with the terms of the PRP Rules).

TABLE B: In accordance with ASX Listing Rules 10.14 and 10.15 and the Corporations Act, the following additional information is provided in relation to proposed participation in the PRP by the Director:

Maximum number of securities to be issued:	4 million Performance Rights are approved for issue to the Director.
Price at which the securities will be issued:	Nil (refer to above table)
The date by which the Company will issue the Performance Rights:	The Board will grant the Performance Rights as soon as practicable following the Annual General Meeting, subject to Shareholders approving the resolution, and in any case not later than 12 months after the date of the meeting.
Terms of any loan in relation to the issue of Performance Rights	No loan terms applicable

Information required
under ASX Listing
Rule 10.15.11

Peter McGrath is entitled to participate in the PRP.

Subject to Shareholders approving Resolution 4, details of any Performance Rights granted to a Director under the PRP will be published in the Company's annual report for the year in which the grant is made noting that approval for the grant was obtained under ASX Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the PRP after approval of these Resolutions and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.

Recommendation

The Board, as members of Key Management Personnel, abstain from making a recommendation in relation to Resolution 4.

Resolution 5: Approval of Additional 10% Placement Capacity

The Company seeks Shareholder approval to permit the Company to issue an additional 10% of its issued capital over a 12-month period in accordance with ASX Listing Rule 7.1A (**Additional Placement Capacity**).

ASX Listing Rule 7.1 permits the Company to issue a maximum of 15% of its capital in any 12-month period without requiring shareholder approval. Under ASX Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 Index and have a market capitalisation of \$300 million or less) can issue a further 10% of share capital in 12 months on a non-pro rata basis subject to the company obtaining shareholder approval.

Securities issued under the Additional Placement Capacity must be in the same class as an existing quoted class of securities of the Company. As at the date of this Notice the Company has one class of quoted securities on issue, being the Shares (ASX Code: CCG).

The Company is an eligible entity as at the date of this Notice of Meeting. The number of Shares that may be issued (if Shareholder approval is obtained at the Annual General Meeting) will be determined in accordance with the following formula prescribed in ASX Listing Rule 7.1A.2: **(A x D) – E**

where:

- A** is the number of fully paid shares on issue 12 months before the date of issue or agreement:
 - (a) *plus*, the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
 - (b) *plus*, the number of partly paid shares that became fully paid in the 12 months;
 - (c) *plus*, the number of fully paid shares issued in the 12 months with approval of holders of Shares under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% capacity pursuant to ASX Listing Rule 7.1 without shareholder approval; and
 - (d) *less* the number of fully paid shares cancelled in the 12 months.
- D** is 10%.
- E** is the number of equity securities issued or agreed to be issued under Listing Rules 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

Securities issued under LR7.1A

Technical information required by ASX Listing Rule 7.3A

Following shareholder approval at the 2020 Annual General Meeting held on 24 November 2020 to issue an additional 10% of its issued capital over a 12-month period in accordance with ASX Listing Rule 7.1A, the following information is provided in relation to the Listing Rule 7.3A:

- a) no Shares have been issued under LR7.1A

Required Information

In compliance with ASX Listing Rule 7.3A, the Company provides the following information:

Minimum price at which equity securities may be issued	<p>The issue price of each Share must be no less than 75% of the volume weighted average price for the Shares calculated over the 15 trading days on which trades in that class were recorded immediately before:</p> <ul style="list-style-type: none"> the date on which the price, at which the securities are to be issued, is agreed; or if the securities are not issued within ten trading days of the date referred to above, the date on which the securities are issued.
Risk of economic and voting dilution	<p>An issue of Shares under ASX Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include:</p> <ul style="list-style-type: none"> the market price for Shares may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A; and the equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date. <p>Under ASX Listing Rule 7.3A.2, a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.</p>
Date by which the securities will be issued	<p>The period commencing on the date of the Annual General Meeting (to which this Notice relates) at which approval is obtained and expiring on the first to occur of the following:</p> <ul style="list-style-type: none"> the date which is 12 months after the date of the annual general meeting at which approval is obtained; the time and date of the Company's next annual general meeting; and the date of the approval by holders of the Company's ordinary securities of a transaction under ASX Listing Rules 11.1.2 or 11.2. <p>The approval under ASX Listing Rule 7.1A will cease to be valid if holders of the Company's ordinary securities approve a transaction under ASX Listing Rules 11.1.2 or 11.2.</p>
Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration	<p>It is the Board's current intention that any funds raised under an issue of equity securities will be used for general working capital requirements and to increase resources available to pursue major clients and partnerships.</p> <p>The issue of securities under Listing Rule 7.1A can only be made for cash consideration purposes only.</p> <p>The Company will comply with ASX Listing Rule 7.1A.3 in relation to the issue being an existing quoted class of equity securities and the minimum issue price limitation to such issue.</p>
Details of CCG's allocation policy for issues under approval	<p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to ASX Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to factors including but not limited to the following:</p> <ul style="list-style-type: none"> the prevailing market conditions at the time of the issue; the purpose of the issue; the ability of the Company to raise funds at the time of the proposed issue and whether the raising of any funds under such placement could be carried out by

	<p>alternative means such as an entitlement offer, a placement and another offer where existing Shareholders may participate;</p> <ul style="list-style-type: none"> the dilutionary effect of the proposed issue of the securities on existing Shareholders at the time of the proposed issue; the effect of the issue on the control of the Company; the circumstances of the Company, including, but not limited to the financial situation and solvency of the Company; and advice from its professional advisers, including corporate, financial and broking advisers (if applicable). <p>The allottees under the ASX Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may existing substantial shareholders and new shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in acquiring new assets, subsidiaries or investments, it is likely that the allottees under the ASX Listing Rule 7.1A facility will be or include the vendors of the new assets or investments.</p>
Previous approvals under ASX Listing Rule 7.1A	<p>The Company has previously requested approval from Shareholders under ASX Listing Rule 7.1A at the Annual General Meeting held on 24 November 2020.</p> <p>During the 12-month period preceding the date of the Meeting, being on and from 24 November 2020, the Company has not issued any Equity Securities pursuant to that previous approval.</p>
Equity Securities on issue as at 18 October 2021	340,329,715 Shares

The table below shows the dilution of existing Shareholders based on the current market price of Shares and the current number of ordinary securities for variable "A" calculated under the formula in ASX Listing Rule 7.1A (2) as at the date of this Notice of Meeting.

The table shows two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require shareholder approval (for example, a pro rata entitlement issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future meeting of shareholders.

The table also shows two examples where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market (issue) price.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.043	\$0.086	\$0.172
			50% decrease	Issue Price	100% increase
			Funds Raised		
Current Shares	340,329,715	34,032,972	\$1,463,418	\$2,926,836	\$5,853,671
50% increase in Shares	510,494,573	51,049,457	\$2,195,127	\$4,390,253	\$8,780,507
100% increase in Shares	680,659,430	68,065,943	\$2,926,836	\$5,853,671	\$11,707,342

*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 above uses the following assumptions:

- There are currently 340,329,715 Shares on issue.
- The issue price set out above is the closing market price of the Shares on the ASX on 18 October 2021.

3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options or Convertible Notes are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- a) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- b) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Board Recommendation

Resolution 5 is a special resolution, requiring 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) in order to be passed.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

GLOSSARY

AEDT	Australian Eastern Daylight-savings Time
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited or its financial market, the Australian Securities Exchange, as the context requires.
ASX Listing Rules	means the listing rules of ASX as they are amended from time to time.
Board	means the board of directors of CCG from time to time.
Company or CCG	means Comms Group Limited ACN 619 196 539.
Constitution	means the Company's constitution.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Directors	means the directors of the Company.
Explanatory Memorandum	means the explanatory notes to the Resolutions that forms part of the Notice of Meeting.
Meeting	means the annual general meeting of Shareholders called by the Notice of Meeting.
Notice or Notice of Meeting or Notice of Annual General Meeting	means this notice of annual general meeting and explanatory memorandum.
Performance Rights Plan	Plan approved by shareholders on 23 July 2020
Proxy Form	means the proxy form accompanying the Notice.
Remuneration Report	means the remuneration report set out in the Company's 2021 Annual Report.
Resolutions	means the resolutions set out in the Notice.
Share	means a fully paid ordinary share in the capital of CCG.
Shareholder	means a holder of one or more Shares.
Variable A	means "A" as set out in the formula in Listing Rule 7.1A.2

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEDT) on Sunday, 21 November 2021.**

📱 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/ccgagm2021>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (AEDT) on Sunday, 21 November 2021.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** <https://www.votingonline.com.au/ccgagm2021>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

This will be held as a virtual meeting.

☐**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Comms Group Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **virtually on Tuesday, 23 November 2021 at 11:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1 and 4, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolutions 1 and 4 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1 and 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	To Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Ben Jennings as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Mr Ryan O'Hare as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of Peter McGrath's participation in CCG Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of additional 10% placement capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2021