



**SKYFII LIMITED**

**ACN 009 264 699**

**NOTICE OF 2021 ANNUAL GENERAL MEETING**

TIME: 10.00am (AEDT)

DATE: Tuesday, 23 November 2021

VENUE: Virtual Meeting – <https://web.lumiagm.com/382-126-150>

For personal use only

## Notice of Annual General Meeting

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This Notice of Meeting should be read in conjunction with the accompanying Explanatory Memorandum.

Notice is given that the 2021 Annual General Meeting of the shareholders of Skyfii Limited to which this Notice relates will be held at 10:00am (AEDT) on Tuesday, 23 November 2021 via the online platform at <https://web.lumiagm.com/382-126-150>

### 1.1 Lumi AGM Online Platform

In light of public health restrictions relating to the spread of COVID-19 the Board has decided to hold the Annual General Meeting as a virtual meeting. This step has been taken to protect the safety of shareholders and staff attending the Meeting.

All shareholders will have the opportunity to attend and participate in the 2021 Annual General Meeting online via an internet connection (using a computer, laptop, tablet or smartphone).

Shareholders are invited and encouraged to participate in the Meeting and vote electronically using the Lumi AGM online platform. The online platform will provide Shareholders with the ability to view and participate in the proceedings of the Meeting by webcast, and to cast their votes during the Meeting.

Instructions on how to download and use the online platform are contained in Annexure-*Online Voting User Guide* of this Notice.

If Shareholders are unable to attend the Meeting using the online platform they are encouraged to alternatively, return the Proxy Form to the Company in accordance with the instructions thereon. Returning the Proxy Form will not preclude a Shareholder from attending and voting at the Meeting utilising the online platform should they elect to do so.

### 1.2 Shareholder questions

Whilst Shareholders will be provided with the opportunity to submit questions online at the Meeting, it would be desirable if the Company was able to receive them in advance.

Shareholders are therefore requested to send any questions they may have for the Company or its Directors at the virtual Annual Shareholders' Meeting to the Company Secretary via email [cosec@skyfii.com](mailto:cosec@skyfii.com)

Please note that not all questions may be able to be answered during the Meeting. In this case answers will be made available on the Company's website after the Meeting.

### 1.3 Voting Eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the 2021 Annual General Meeting are those that are registered shareholders at 7.00pm (AEDT) on 19th November 2021.

### 1.4 Voting

Shareholders may vote by either:

- (a) using the online platform; or
- (b) appointing a Proxy.

## 1.5 Voting by Proxy

To vote by proxy, 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.

In accordance with section 249L of the Corporations Act, members are advised that:

- (a) each member has a right to appoint a proxy;
- (b) the proxy need not be a member of the Company; and
- (c) a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2012 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- (a) if proxy holders vote, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, whomust vote the proxies as directed.

Further details on these changes are set out below.

### **Proxy vote if appointment specifies way to vote**

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

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

### **Transfer of non-chair proxy to Chair in certain circumstances**

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

- (g) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (h) the appointed proxy is not the Chair of the meeting; and
- (i) at the meeting, a poll is duly demanded on the resolution; and

- (i) either of the following applies: the proxy is not recorded as attending the meeting;
- (ii) the proxy does not vote on the resolution, the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

## Agenda

### 1 Remuneration Report

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

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as set out 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.

#### Voting Exclusion Statement:

In accordance with the Corporations Act, the Company will disregard any votes cast in favour on this resolution by Key Management Personnel and any Closely Related Party of any Key Management Personnel as those terms are defined in section 9 of the Corporations Act. However, the Company need not disregard a vote if:

- (a) it is cast by a person who is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) it is cast by 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.

### 2 Re-election of a Director – Mr Andrew Johnson

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

*“That, for the purposes of the Company’s Constitution and for all other purposes, Mr Andrew Johnson, who retires in accordance with the Company’s Constitution, and being eligible, is re-elected as a Non-Executive Director.”*

### 3 Election of a Director – Ms Kirsty Rankin

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

*“That, for the purposes of the Company’s Constitution and for all other purposes, Ms Kirsty Rankin, who was appointed to the Board since the last Annual General Meeting of the Company to fill a casual vacancy in accordance with the Company’s Constitution, and being eligible, offers herself for election, be elected as a Non-Executive Director.”*

#### **4 Election of a Director – Mr John Rankin**

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

*“That, for the purposes of the Company's Constitution and for all other purposes, Mr John Rankin, who was appointed to the Board since the last Annual General Meeting of the Company to fill a casual vacancy in accordance with the Company's Constitution, and being eligible, offers himself for election, be elected as an Executive Director.”*

#### **5 Refresh of Executive Option Plan**

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

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval be given to the Executive Option Plan (EOP) and the subsequent issue of securities under that plan, on the terms and conditions in the Explanatory Memorandum.”*

Voting Exclusion Statement:

The Company will disregard any votes cast in favour on Resolution 5 by or on behalf of a person who is eligible to participate in the EOP, or an associate of that person or those persons.

However, the Company will not disregard a vote if:

- it is cast by a person as a proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by the Chairman of the Meeting as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

#### **6 Refresh of Employee Share Plan**

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

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval be given to the Employee Share Plan (ESP) and the subsequent issue of securities under that plan, on the terms and conditions in the Explanatory Memorandum.”*

Voting Exclusion Statement:

The Company will disregard any votes cast in favour on Resolution 6 by or on behalf of a person who is eligible to participate in the ESP, or an associate of that person or those persons.

However, the Company will not disregard a vote if:

- it is cast by a person as a proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by the Chairman of the Meeting as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

## 7 Approval of grant of options to Director – Wayne Arthur

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

*“That, for the purposes of ASX Listing Rules 10.14 and for all other purposes, approval be given to grant to Mr Wayne Arthur, currently the Chief Executive Officer and Executive Director (**Mr Arthur**), options in respect of up to 2,500,000 shares for the 2022 financial year in accordance with the rules of the EOP and on the terms and conditions in the Explanatory Memorandum”*

### Voting Exclusion Statement:

The Company will disregard any votes cast in favour on Resolution 7 by or on behalf of a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the EOP, or an associate of that person or those persons

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

- 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:
  - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 8 Approval of grant of options to Director – John Rankin

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

*“That, for the purposes of ASX Listing Rules 10.14 and for all other purposes, approval be given to grant to Mr John Rankin, currently the Chief Operating Officer and Executive Director (**Mr Rankin**), options in respect of up to 2,500,000 shares for the 2022 financial year in accordance with the rules of the EOP and on the terms and conditions in the Explanatory Memorandum”*

### Voting Exclusion Statement:

The Company will disregard any votes cast in favour on Resolution 8 by or on behalf of a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the EOP, or an associate of that person or those persons

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

- 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;
  - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **9 Approval of Additional Placement Capacity**

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

*“That, pursuant to and in accordance with ASX Listing 7.1A, and for all other purposes, shareholders approve the issue of Equity Securities up to 10% of the issued ordinary capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 9 by or on behalf of any person who is expected to participate in or will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons.

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

- 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;
  - The beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.



## Explanatory Memorandum

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This Explanatory Memorandum has been prepared for the information of shareholders in connection with the Annual General Meeting of shareholders to be held at 10:00am (AEDT) on Tuesday, 23 November 2021 at <https://web.lumiagm.com/382-126-150>

### Resolution 1 – Adoption of Remuneration Report

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#### 1.1 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. Such a resolution is advisory only and does not bind the Directors or the Company.

Under the Corporations Act, if at least 25% of the votes cast on this resolution are voted against adoption of the Remuneration Report at the 2021 Annual General Meeting, and then again at the Company's 2021 Annual General Meeting, the Company will be required to put to shareholders a resolution proposing the calling of a general meeting to consider the appointment of Directors of the Company (**Spill Resolution**).

If more than 50% of shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2022 Annual General Meeting. All of the Directors who were in office when the Company's 2021 Directors' Report 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 is approved will be the Directors of 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 2021.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the 2021 Annual General Meeting.

#### 1.2 Proxy restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or any Closely Related Party of that member as your proxy to vote on this Resolution, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of Key Management Personnel whose remuneration details are included in the Remuneration Report or Closely Related Parties of that member on how to vote on this Resolution, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to this Resolution.

#### 1.3 Definitions

**Closely Related Party** of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the member's spouse;
- (c) A dependent of the member or the member's spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence themember, or be influenced by the member, in the member's dealing with the entity;

- (e) A company the member controls; or
- (f) A person prescribed by the *Corporations Regulations 2001* (Cth).

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Remuneration Report** means the remuneration report set out in the Director's Report section of the Company's Annual Financial Report for the year ended 30 June 2021.

#### **Resolution 2 – Re-election of a Director – Mr Andrew Johnson**

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The Board currently comprises of Mr Andrew Johnson (Chairman), Mr Wayne Arthur (CEO and Executive Director), Ms Susan O'Malley (Non-executive Director), Ms Kirsty Rankin (Non-executive Director) and Mr John Rankin (COO and Executive Director).

Mr Arthur, as Chief Executive Officer of the Company, and Mr Rankin as Chief Operating Officer of the Company are excluded from the normal rotation and re-election of the Director process.

As a result, Mr Andrew Johnson retires by rotation and is eligible for re-election.

Mr Johnson's personal details are provided in the Company's 2021 Annual Report, which was released to ASX on 27 August 2021 and is available on the Company's website at <http://www.skyfii.com>.

#### **Resolution 3 – Election of a Director – Ms Kirsty Rankin**

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Ms Kirsty Rankin was appointed as a non-executive director of the Company by the Board on 23rd August 2021 pursuant to Rule 13.3 of the Company's Constitution. The Board has appointed Ms Rankin as a non-executive director of the Company. In accordance with Rule 13.3 of the Company's Constitution, Ms Rankin retires and offers herself for election at the first Annual General Meeting since her appointment.

Ms Rankin's personal details are provided in the Company's 2021 Annual Report, which was released to ASX on 27th August 2021 and is available on the Company's website at <http://www.skyfii.com>.

#### **Resolution 4 – Election of a Director – Mr John Rankin**

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Mr John Rankin was appointed as an executive director of the Company by the Board on 23rd August 2021 pursuant to Rule 13.3 of the Company's Constitution. The Board has appointed Mr Rankin as an executive director of the Company. In accordance with Rule 13.3 of the Company's Constitution, Mr Rankin retires and offers himself for election at the first Annual General Meeting since his appointment.

Mr Rankin's personal details are provided in the Company's 2021 Annual Report, which was released to ASX on 27th August 2021 and is available on the Company's website at <http://www.skyfii.com>

## Resolution 5 - Refresh of Executive Option Plan

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The issues of shares pursuant to an existing Executive Option Plan (EOP) were approved by shareholders at the Company's 2018 Annual General Meeting (2018 AGM) in accordance with Listing Rule 7.2 (Exception 13(b)) – with the effect that the shares so issued would not reduce the Company's '15% placement capacity' under Listing Rule 7.1. As that approval applied for a period of three (3) years following the 2018 AGM then, in accordance Listing Rule 7.2 (Exception 13(b)), the further issue of shares pursuant to the EOP requires shareholder approval.

The Employee Option Plan (**EOP**) seeks to closely align the interest of eligible senior executives participating in the EOP (**EOP Participants**) with those of investors and to ensure that the EOP Participants are motivated and rewarded for performance, shareholder return and compensated for remuneration in lieu of cash payments in line with the economic value created.

The options under the EOP (**EOP Options**) will entitle their holder to receive ordinary shares in the capital of the Company (**EOP Options**) upon satisfaction of certain vesting conditions as determined by the Board from time to time.

### Why shareholder approval is being sought

ASX Listing Rule 7.1 provides that a listed company must not issue equity securities that total more than 15% of its fully paid ordinary shares in any rolling 12-month period without shareholder approval, or unless an exception applies (**15% Capacity**). This means that if this Resolution 5 is passed, any Options granted to EOP Participants and any resulting EOP Shares issued will not use up part of the Company's 15% Capacity under ASX Listing Rule 7.1.

Under ASX Listing Rule 7.2, exception 13(b), an issue of equity securities under an employee incentive scheme is an exception to ASX Listing Rule 7.1, if in the 3 years before the issue date, shareholders have approved the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

Therefore, although shareholder approval is not required to adopt the EOP, shareholder approval is being sought under Resolution 5 for the issue of securities under the EOP, so that such issues would not be counted towards the Company's 15% Capacity, and that capacity would be available for other purposes.

### Summary of terms of the Employee Option Plan

- EOP Options provide an opportunity to acquire EOP Options subject to the payment of the exercise price set at the time of the grant of the EOP Options (Exercise Price) and EOP Participants can continue to hold the EOP Options after they have vested.
- EOP Options will vest upon notification by the Company that the EOP Options have vested and the Company.
- EOP Options enable the participant to gain the benefit of any excess of the Share price over the Exercise Price paid. In the event the Share price is equal to or below the Exercise Price, the EOP Options would be of no value.

In order for the EOP Options to vest, the Vesting Conditions set out in the invitation, or otherwise determined by the Board, for the grant of the EOP Options must have been satisfied. In addition, at the time of vesting, a participant must not have engaged in serious and wilful misconduct, wilful disobedience, gross negligence or incompetence, insubordination, disqualification under Part 2D.6 of the Corporations Act 2001 (Cth), a serious breach of an employment agreement and behaviour which damages the business or reputation of the Company (**Proscribed Conduct**)

- Invitations to apply for EOP Options under the EOP will be made on a basis determined by the Board (including as to the conditionality on the achievement of any key performance indicators) and notified to Eligible Employees in the invitation, or if no such determination is made by the Board, on the basis that EOP Options will be subject to a 3-year vesting period, with:
  - 33% of EOP Options applied for vesting on the date that is the first anniversary of the issue date of the EOP Options; and
  - 33% of EOP Options applied for vesting on the date that is the second anniversary of the issue date of the EOP Options; and
  - 34% of EOP Shares applied for vesting on the date that is the third anniversary of the issue date of the EOP Options.
- If the participant engages in Proscribed Conduct, then the EOP Options will be forfeited.
- The EOP Options will not be quoted, nor will they carry an entitlement to dividends or a right to vote at General Meetings of the Company.
- The maximum number of EOP Options for which invitations may be issued under the EOP, including Executive Directors (over a 3 year period) together with the number of EOP Options still to be issued in respect of already accepted invitations and that have already been issued in response to invitations in the previous 3 years (but disregarding EOP Options that are or were issued following invitations to non-residents, that did not require a disclosure document under the Corporations Act, or that were issued under a disclosure document under the Corporations Act) must not exceed 10% of the total number of outstanding shares and options on issue in the Company at the time the invitations are made, excluding any shares or options otherwise approved by shareholders. This maximum represents 40,000,000 EOP Options based on the current fully diluted capital of the Company;
- The invitation to participate in the EOP will specify the number of EOP Options to be granted. If Vesting Conditions are not met, then unvested EOP Options will be forfeited. If the relevant targets are achieved the EOP Options will vest and may be exercised, by payment of the Exercise Price. This can be done at any time up to ten years after the grant of the EOP Options.

#### **Number of Shares Issued Under the EOP since the Last Approval**

Since the 2018 AGM:

- 38,543,255 EOP Options were issued to Senior Executives who were not Directors; and
- 14,082,162 EOP Options were issued to Directors (being solely Mr Wayne Arthur); and
- 13,549,125 EOP Options were issued to Directors (being solely Mr John Rankin); and
- 2,078,572 EOP Options were issued to other employees who were not Directors (made up of 2,200,000 issued less 121,428 EOP Options cancelled during the period)

A voting exclusion statement for Resolution 5 is contained on page 5.

#### **Resolution 6 – Refresh of current Employee Share Plan (ESP)**

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The issues of shares pursuant to an existing Employee Share Plan (ESP) were approved by shareholders at the Company's 2015 Annual General Meeting (2015 AGM) and refreshed at the Company's 2018 Annual General Meeting (2018 AGM) in accordance with Listing Rule 7.2 (Exception 13(b)) – with the effect that the shares so issued would not reduce the Company's '15% placement capacity' under Listing Rule 7.1. As that approval applied for a period of three (3) years following the 2018 AGM then, in accordance Listing Rule 7.2 (Exception 13(b)), the further issue of shares pursuant to the ESP requires shareholder approval.

In addition, the original ESP permitted the issue of new shares equivalent to up to 10% of the issued capital of the Company. If shareholders approve the refresh of the ESP then new

shares equivalent to up to a further 10% of the issued capital of the Company may be issued.

### Summary of the Terms of the ESP

- The Board may invite a person who is employed or engaged by or holds an office with the Group (whether on a full or part-time basis) and who is declared by the Board to be eligible to participate in the ESP from time to time (**Eligible Employee**) to apply for fully paid ordinary shares under the plan from time to time (**ESP Shares**);
- Invitations to apply for ESP Shares are to be made on the basis of the market price per share defined as the volume weighted average price at which the Company's shares have traded during the 30 days immediately preceding the date of the invitation;
- Invitations to apply for ESP Shares under the ESP will be made on a basis determined by the Board (including as to the conditionality on the achievement of any key performance indicators) and notified to Eligible Employees in the invitation, or if no such determination is made by the Board, on the basis that ESP Shares will be subject to a 3-year vesting period, with:
  - 33% of ESP Shares applied for vesting on the date that is the first anniversary of the issue date of the ESP Shares;
  - 33% of ESP Shares applied for vesting on the date that is the second anniversary of the issue date of the ESP Shares; and
  - 34% of ESP Shares applied for vesting on the date that is the third anniversary of the issue date of the ESP Shares.
- Eligible Employees who accept an invitation (**ESP Participants**) may be offered an interest free loan from the Company to finance the whole of the purchase of the ESP Shares they are invited to apply for (**ESP Loan**). ESP Loans will have a term of 5 years and become repayable in full on the earlier of:
  - the fifth anniversary of the issue date of the ESP Shares; and
  - if the ESP Participant ceases to be an Eligible Employee, either
    - the fifth anniversary of the issue date of the ESP Shares, if the Eligible Employee is a good leaver (as defined in the ESP); or
    - that date of cessation, if the Eligible Employee is a bad leaver (as defined in the ESP).
- If the ESP Participant does not repay the outstanding ESP Loan, or it notifies the Company that it cannot, then such number of ESP Shares that equal by value (using the price at which the ESP Shares were issued) the outstanding amount of the ESP Loan will become the subject of a buy-back notice from the Company which the ESP Participant must accept. The buy-back of such number of ESP Shares will be considered full and final satisfaction of the ESP Loan and the Company will not have any further recourse against the ESP Participant;
- Any dividends received by the ESP Participant whilst the whole or part of the ESP Loan remains outstanding must be applied to the repayment of the ESP Loan;
- The maximum number of 10,000,000 ESP Shares (over a 3 year period) for which invitations may be issued under the ESP together with the number of ESP Shares still to be issued in respect of already accepted invitations and that have already been issued in response to invitations in the previous 5 years (but disregarding ESP Shares that are or were issued following invitations to non-residents, that did not require a disclosure document under the Corporations Act, or that were issued under a disclosure document under the Corporations Act) must not exceed 10% of the total number of ordinary shares on issue in the Company at the time the invitations are made;
- In the event of a corporate reconstruction, the Board will adjust, subject to the Listing Rules (if applicable), any one or more of the maximum number of shares that may be issued under the ESP (if applicable), the subscription price, the buyback price and the number of ESP Shares to be vested at any future vesting date (if applicable), as it deems appropriate so that the benefits conferred on ESP Participants after a corporate reconstruction are the same as the benefits enjoyed by the ESP Participants before the corporate reconstruction. On conferring the benefit of any corporate reconstruction, any fractional entitlements to shares will be rounded down to the nearest whole share;

- ESP Participants will continue to have the right to participate in dividends paid by the Company despite some or all of their ESP Shares not having vested yet or being subject to an ESP Loan. If an ESP Loan has been made to the ESP Participant, then any dividend due must first be applied to reducing any outstanding ESP Loan amount applicable to the ESP Shares on which the dividend is paid;
- ESP Shares which have not vested and/or are subject to repayment of the ESP Loan will be restricted (escrowed) from trading;
- The Company may buy-back at the issue price any ESP Shares which
  - have not vested, or are incapable of vesting at any time (including as a result of the ESP Participant failing to meet any key performance indicators on which vesting of ESP Shares is conditional); or
  - remain in escrow and/or are the subject of an ESP Loan, on the occurrence of:
    - the ESP Participant ceasing to be an Eligible Employee (unless the Board, in its sole and absolute discretion determines otherwise, subject to any conditions that it may apply, including the repayment of any outstanding ESP Loan); or
    - the expiration of the term of the ESP Loan.
- Any bonus securities issued in relation to ESP Shares which remain unvested or are subject to an ESP Loan which becomes repayable in full will be the subject of a buy-back by the Company at the issue price for no consideration;
- On the death or permanent disability of an ESP Participant, all ESP Shares held by the ESP Participant or their estate will immediately vest subject to the repayment of any outstanding ESP Loan by the curator, executor or nominated beneficiary(ies) (as the case may be) within 30 days of their appointment (or such longer period as the Company in its discretion may allow). Failing such repayment, the Company will buy-back all ESP Shares in respect of which there is an outstanding ESP Loan;
- The rules of the ESP and any amendment to the rules of the ESP must be in accordance with the Listing Rules and the Corporations Act;
- If, while the Company's shares are traded on the ASX or any other stock exchange, there is any inconsistency between the terms of the ESP and the Listing Rules, the Listing Rules will prevail; and
- The ESP is governed by the laws of the State of New South Wales, Australia.

#### **Number of Shares Issued Under the ESP since the Last Approval**

Since the 2018 AGM:

- 20,500,000 ESP Shares were issued to Non-Directors; and
- 16,073,000 ESP Shares have been cancelled (includes shares issued prior to 2018 AGM)
- A voting exclusion statement for Resolution 6 is contained on page 5.

#### **Resolution 7 – Approval of grant of options to Director – Mr Wayne Arthur**

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The Non-Executive Directors are of the view that it is appropriate that the Company's Chief Executive Officer (CEO) and Executive Director, Mr Wayne Arthur be entitled to be granted EOP Options under the EOP (formerly approved at the 2018 AGM). The Non-Executive Directors consider that the grant of the EOP Options is an important element of the Company's remuneration strategy for the CEO, having regard to the circumstances of the Company, the duties and responsibilities of Mr Arthur and market levels of remuneration for executives in his position in similar sized companies.

#### **Terms of the Employee Option Plan**

EOP Options provide an opportunity to acquire EOP Options subject to the payment of the exercise price set at the time of the grant of the EOP Options (**Exercise Price**) and EOP Participants can continue to hold the EOP Options after they have vested.

EOP Options will vest upon notification by the Company that the EOP Options have vested

and the Company.

EOP Options enable the participant to gain the benefit of any excess of the Share price over the Exercise Price paid. In the event the Share price is equal to or below the Exercise Price, the EOP Options would be of no value.

In order for the EOP Options to vest, the Vesting Conditions set out in the invitation, or otherwise determined by the Board, for the grant of the EOP Options must have been satisfied. In addition, at the time of vesting, a participant must not have engaged in serious and wilful misconduct, wilful disobedience, gross negligence or incompetence, insubordination, disqualification under Part 2D.6 of the Corporations Act 2001 (Cth), a serious breach of an employment agreement and behaviour which damages the business or reputation of the Company (**Proscribed Conduct**)

If the participant engages in Proscribed Conduct, then the EOP Options will be forfeited.

The EOP Options will not be quoted, nor will they carry an entitlement to dividends or a right to vote at General Meetings of the Company.

The invitation to participate in the EOP will specify the number of EOP Options to be granted.

If Vesting Conditions are not met, then unvested EOP Options will be forfeited. If the relevant targets are achieved the EOP Options will vest and may be exercised, by payment of the Exercise Price. This can be done at any time up to ten years after the grant of the EOP Options.

Other senior managers, who are not Directors, of the Company are also entitled to participate in the EOP if invited by the Board. Any additional Directors (or their associates) who become entitled to participate in the EOP after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under Rule 10.14 of the ASX Listing Rules.

#### **Information required by ASX Listing Rules**

The Company provides the following additional information for the purposes of ASX Listing Rule 10.15:

- The proposed recipient is Mr Arthur, a Director of the Company.
- The approval is sought for Mr Arthur under ASX Listing Rule 10.14.1 as he is a Director of the Company
- The maximum number of securities that may be acquired by Mr Arthur under this approval is 2,500,000 Options. Each EOP Option, on vesting, entitles Mr Arthur to receive one Share.
- Mr Arthur's current salary is \$456,036 excluding Superannuation. Any annual bonuses will be determined by the Nomination and Remuneration Committee during the year and may be paid in cash or scrip. The payment of a bonus to Mr Arthur, and the amount of any such bonus, is at the discretion of the Nomination and Remuneration Committee.
- To date a total of 14,082,162 EOP Options has been issued to Mr Arthur under the EOP.
- If Resolution 7 is passed, the EOP Options will be granted to Mr Arthur no later than 12 months after the date of approval. As approval pursuant to Listing Rule 7.1 is not required for the issue of the EOP Options (because approval is being obtained under Listing Rule 10.14), the issue of the EOP Options will not use up any of the Company's 15% annual placement capacity.
- No issue price is payable by Mr Arthur for the grant of the EOP Options to him. The exercise price payable to exercise the EOP Options will be set at the time of the grant of the EOP Options.
- Vesting conditions for EOP Options under the EOP will be made on a basis determined by the Board including as to the conditionality on the achievement of any key performance indicators. Of the total issue of EOP, 40% will be based on tenure and 60% will be based on performance hurdles related to Total Revenue, Recurring

- Revenue and/or EBITDA performance.
- The EOP Options with a tenure hurdle will be subject to a 3-year vesting period, with:
  - 33% of EOP Options applied for vesting on the date that is the first anniversary of the issue date of the EOP Options; and
  - 33% of EOP Options applied for vesting on the date that is the second anniversary of the issue date of the EOP Options; and
  - 34% of EOP Shares applied for vesting on the date that is the third anniversary of the issue date of the EOP Options.
- A summary of other key terms of the EOP are contained in Resolution 5.
- No loan has been or will be advanced by the Company in relation to the acquisition of securities the subject of Resolution 5.
- Details of any securities issued under the EOP 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 was obtained under ASX Listing Rule 10.14.
- A voting exclusion statement for Resolution 7 is contained on page 6.

In accordance with ASX Listing Rule 14.1A the following information is provided in relation to Resolution 7:

- 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 without the approval of the holders of its ordinary securities:
  - 10.14.1 a Director of the company;
  - 10.14.2 an associate of a person referred to in rule 10.14.1; or
  - 10.14.3 a person whose relationship with the entity or a person referred to in rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.
- If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the EOP Options.

#### **Resolution 8 – Approval of grant of options to Director – Mr John Rankin**

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The Non-Executive Directors are of the view that it is appropriate that the Company's Chief Operating Officer (COO) and Executive Director, Mr John Rankin be entitled to be granted EOP Options under the EOP (formerly approved at the 2018 AGM). The Non-Executive Directors consider that the grant of the EOP Options is an important element of the Company's remuneration strategy for the COO, having regard to the circumstances of the Company, the duties and responsibilities of Mr Rankin and market levels of remuneration for executives in his position in similar sized companies.

##### **Terms of the Employee Option Plan**

EOP Options provide an opportunity to acquire EOP Options subject to the payment of the exercise price set at the time of the grant of the EOP Options (**Exercise Price**) and EOP Participants can continue to hold the EOP Options after they have vested.

EOP Options will vest upon notification by the Company that the EOP Options have vested and the Company.

EOP Options enable the participant to gain the benefit of any excess of the Share price over the Exercise Price paid. In the event the Share price is equal to or below the Exercise Price, the EOP Options would be of no value.

In order for the EOP Options to vest, the Vesting Conditions set out in the invitation, or otherwise determined by the Board, for the grant of the EOP Options must have been



satisfied. In addition, at the time of vesting, a participant must not have engaged in serious and wilful misconduct, wilful disobedience, gross negligence or incompetence, insubordination, disqualification under Part 2D.6 of the Corporations Act 2001 (Cth), a serious breach of an employment agreement and behaviour which damages the business or reputation of the Company (**Proscribed Conduct**)

If the participant engages in Proscribed Conduct, then the EOP Options will be forfeited.

The EOP Options will not be quoted, nor will they carry an entitlement to dividends or a right to vote at General Meetings of the Company.

The invitation to participate in the EOP will specify the number of EOP Options to be granted. If Vesting Conditions are not met, then unvested EOP Options will be forfeited. If the relevant targets are achieved the EOP Options will vest and may be exercised, by payment of the Exercise Price. This can be done at any time up to ten years after the grant of the EOP Options.

Other senior managers, who are not Directors, of the Company are also entitled to participate in the EOP if invited by the Board. Any additional Directors (or their associates) who become entitled to participate in the EOP after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under Rule 10.14 of the ASX Listing Rules.

#### **Information required by ASX Listing Rules**

The Company provides the following additional information for the purposes of ASX Listing Rule 10.15:

- The proposed recipient is Mr Rankin, a Director of the Company.
- The approval is sought for Mr Rankin under ASX Listing Rule 10.14.1 as he is a Director of the Company
- The maximum number of securities that may be acquired by Mr Rankin under this approval is 2,500,000 Options. Each EOP Option, on vesting, entitles Mr Rankin to receive one Share.
- Mr Rankin's current salary is \$329,600 excluding Superannuation. Any annual bonuses will be determined by the Nomination and Remuneration Committee during the year and may be paid in cash or scrip. The payment of a bonus to Mr Rankin, and the amount of any such bonus, is at the discretion of the Nomination and Remuneration Committee.
- To date a total of 13,549,125 EOP Options has been issued to Mr Rankin under the EOP.
- If Resolution 8 is passed, the EOP Options will be granted to Mr Rankin no later than 12 months after the date of approval. As approval pursuant to Listing Rule 7.1 is not required for the issue of the EOP Options (because approval is being obtained under Listing Rule 10.14), the issue of the EOP Options will not use up any of the Company's 15% annual placement capacity.
- No issue price is payable by Mr Rankin for the grant of the EOP Options to him. The exercise price payable to exercise the EOP Options will be set at the time of the grant of the EOP Options.
- Vesting conditions for EOP Options under the EOP will be made on a basis determined by the Board including as to the conditionality on the achievement of any key performance indicators. Of the total issue of EOP, 40% will be based on tenure and 60% will be based on performance hurdles related to Total Revenue, Recurring Revenue and/or EBITDA performance.
- The EOP Options with a tenure hurdle will be subject to a 3-year vesting period, with:
  - 33% of EOP Options applied for vesting on the date that is the first anniversary of the issue date of the EOP Options; and
  - 33% of EOP Options applied for vesting on the date that is the second anniversary of the issue date of the EOP Options; and

- 34% of EOP Shares applied for vesting on the date that is the third anniversary of the issue date of the EOP Options.
- A summary of other key terms of the EOP are contained in Resolution 5.
- No loan has been or will be advanced by the Company in relation to the acquisition of securities the subject of Resolution 5.
- Details of any securities issued under the EOP 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 was obtained under ASX Listing Rule 10.14.
- A voting exclusion statement for Resolution 8 is contained on page 6.

In accordance with ASX Listing Rule 14.1A the following information is provided in relation to Resolution 8:

- 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 without the approval of the holders of its ordinary securities:
  - 10.14.1 a Director of the company;
  - 10.14.2 an associate of a person referred to in rule 10.14.1; or
  - 10.14.3 a person whose relationship with the entity or a person referred to in rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.
- If Resolution 8 is not passed, the Company will not be able to proceed with the issue of the EOP Options.

## Resolution 9 – Approval for Additional Placement Capacity

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### 1.1 General

Listing Rule 7.1A enables eligible entities to issue 'Equity Securities' up to 10% of their issued share capital through placements over a 12-month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Skyfii is an eligible entity and is now seeking shareholder approval by way of a **special resolution** to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer below). Skyfii may use the 10% Placement Facility to raise working capital, acquire new business assets or investments or accelerate development and marketing plans.

### 1.2 Description of Listing Rule 7.1A

#### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting.

**(b) Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. As at the date of the Notice, Skyfii has only one class of Equity Securities, being Ordinary Shares.

**(c) Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides those eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

Where:

**A** is the number of shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12-month period immediately preceding the date of issue or agreement).

(A) plus, the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2, other than exception 9, 16 or 17;

(B) plus, the number of fully paid shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;

(C) plus, the number of fully paid shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the relevant period; or
- the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;

(D) plus, the number of any other fully paid shares issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4;

(E) plus, the number of partly paid shares that became fully paid in the relevant period;

(F) less the number of fully paid shares cancelled in the relevant period.

*[Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.]*

**D** is 10%

**E** is the number of Equity Securities issued or agreed to be issued under Listing

Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer above).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the Volume Weighted Average Price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph above, the date on which the Equity Securities are issued.

**(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the first to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities); or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

The effect of Resolution 9 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 9, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

If Shareholders do not approve Resolution 9, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for under 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.

Resolution 9 is a **special resolution** and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) on the resolution.

### 1.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The period for which the Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid commences on the date of the Annual General Meeting at which the approval is obtained, being 23 November 2021, and expires on the first to occur of:
  - (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained, being 23 November 2021;
  - (ii) the time and date of the Company's next annual general meeting;
  - (iii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (b) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades were recorded immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The purposes for which the funds raised (cash consideration only) by an issue of Equity Securities under rule 7.1A.2 may be used by the Company include general working capital, towards an acquisition of new business assets or investments (including expense associated with such acquisition) and/or acceleration of development and marketing plans.
- (d) If Resolution 9 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset or for services delivered to the Company, which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the potential dilution of existing shareholders of the Company issues shares pursuant to the 10% Placement Facility. The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of Equity Securities the Company has on issue. The number of Equity Securities on issue may increase as a result of issues of Equity Securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future shareholders' meeting; and
- (ii) two examples of where the issue price of Equity Securities has decreased by 50% and increased by 100% as against the issue price of the Equity Securities at the date of this Notice of Meeting.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.10 50% decrease in Issue Price	\$0.20 Issue Price	\$0.40 100% increase in Issue Price
<b>Current Variable 'A'</b> 402,007,295 Shares	10% voting dilution	40,200,729 shares	40,200,729 shares	40,200,729 shares
	Funds raised	\$4,020,073	\$8,040,146	\$16,080,292
<b>50% increase in current Variable 'A'</b> 603,010,943 Shares	10% voting dilution	60,301,094 shares	60,301,094 shares	60,301,094 shares
	Funds raised	\$6,030,109	\$12,060,218	\$24,120,436
<b>100% increase in current Variable 'A'</b> 804,014,590 Shares	10% voting dilution	80,401,459 shares	80,401,459 shares	80,401,459 shares
	Funds raised	\$8,040,146	\$16,080,292	\$32,160,584

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities;
- (iii) 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%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vii) The notional issue price is \$0.20.

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

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to 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, rights issues or other issues 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 10% Placement Facility 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.

- (f) For the purposes of Listing Rule 7.3A.6, in the 12 months prior to the Annual General Meeting the Company has not issued or agreed to issue any equity securities under Listing Rule 7.1A.2.
- (g) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or securityholder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## 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](http://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 10:00am (AEDT) on Sunday, 21 November 2021.**

### 🖥 TO VOTE ONLINE

**STEP 1: VISIT** <https://www.votingonline.com.au/skfagm2021>

**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 **10:00am (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/skfagm2021>
- 📠 **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



**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 **Skyfii 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 at <https://web.lumiagm.com/382-126-150> on **Tuesday, 23 November, 2021 at 10:00am (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 Resolutions 1, & 5-8; I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, & 5-8 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 Resolutions 1, & 5-8). 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	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of a Director – Mr Andrew Johnson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of a Director – Ms Kirsty Rankin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Election of a Director – Mr John Rankin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Refresh of Executive Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Refresh of Employee Share Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval of grant of options to Director – Mr Wayne Arthur	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of grant of options to Director – Mr John Rankin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Approval of Additional Placement Capacity (Special Resolution)	<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