

**Roto-Gro International Limited**

Level 5, 126 Phillip Street  
Sydney NSW 2000  
ACN: 606 066 059

<https://www.rotogro.com/>



# Roto-Gro International Limited

## **Notice of 2021 Annual General Meeting**

Explanatory Statement | Proxy Form

15 December 2021

**10:00AM (AEDT)**

**Virtual Meeting**

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

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## Important Information for Shareholders about the Company's 2021 AGM

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, circumstances may have changed, however, this Notice is given based on circumstances as at 15 November 2021.

Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at [www.rotogro.com](http://www.rotogro.com). Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to hold the 2021 AGM as a virtual meeting, in a manner that is consistent with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth).

## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00 am (AEDT) on 15 December 2021 as a **virtual meeting**.

Shareholders will be able to attend and participate in the Virtual Meeting (which will be broadcast as a live webinar) from their computer or mobile device, by entering the URL into their browser: <https://web.lumiagm.com/304725214>.

Shareholders will be able to vote and ask questions at the virtual meeting. Shareholders are also encouraged to submit questions in advance of the Meeting to the Company. Questions must be submitted in writing to the Company Secretary at [andrew.palfreyman@automicgroup.com.au](mailto:andrew.palfreyman@automicgroup.com.au) at least 48 hours before the AGM.

## All resolutions will be by poll

Voting at the meeting on each of the Resolutions set out in the Notice of Meeting will be conducted by a poll.

## Your vote is important

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

## Voting virtually at the Meeting

A shareholder entitled to attend and vote at the AGM may vote by:

- (a) Attending the Meeting virtually; or
- (b) Appointing a proxy, attorney or in the case of a corporate shareholder, a corporate representative, to vote at this AGM on their behalf.

### ONLINE VOTING PROCEDURES DURING THE AGM

If you choose to participate in the AGM online, you can log in to the meeting via <https://web.lumiagm.com> and entering:

1. The meeting ID, which is - 304725214
2. Your username, which is your HIN or SRN (located on any recent statement or documentation)
3. 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.
4. If you have been nominated as a third party proxy, please contact Computershare Investor on 03 9415 4024 during the online registration period which will open 1 hour before the start of the Meeting.

Computershare Investor Services' online voting user guide can be accessed via the following link: [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide).

## Voting by proxy

To vote by proxy, please use one of the following methods:

<b>Online</b>	Lodge the Proxy Form online at <a href="https://www.investorvote.com.au/">https://www.investorvote.com.au/</a> by following the instructions: Login to the Computershare website using the holding details as shown on the Proxy Form.
<b>By post</b>	Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

## Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

## Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide the Share Registry with adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Roto-Gro International Limited ACN 606 066 059 will be held at 10:00 am (AEDT) on 15 December 2021 as a **virtual meeting (Meeting)**.

The Company confirms that it is relying on *ASIC Corporations (Extension of Time to Hold AGMs) Instrument 2021/770* which provides all public companies with balance dates between 21 February 2021 and 7 July 2021 an additional two months to hold their annual general meeting.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00 pm (AEDT) on 13 December 2021.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

### Ordinary business

#### Financial statements and reports

*"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."*

**Note:** This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

# Resolutions

## **Remuneration Report**

### **1. Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as an **Ordinary 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 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.

**Voting Exclusion Statement:** In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

## **Election of Director**

### **2. Resolution 2 – Election of Leighton Richards as Director**

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

*“That Leighton Richards, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company’s Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately.”*

## **ASX Listing Rule 7.1A (Additional 10% Capacity)**

### **3. Resolution 3 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

To consider and, if thought fit, to 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 issue of equity securities 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 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (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 ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (i) 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
- (ii) 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
- (iii) 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.

## **Ratification of Prior Issue of Equity Securities**

### **4. Resolution 4 – Ratification of Prior Issue of Tranche 1 Consultant Options under Listing Rule 7.1**

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

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 4,000,000 Tranche 1 Consultant Options issued on 6 September 2021 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved, which includes Mr Keith Merker and Mr Peter Kampian (or their nominees); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (i) 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
- (ii) 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
- (iii) 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.

## 5. **Resolution 5 – Ratification of Prior Issue of Placement Shares under Listing Rule 7.1**

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and prior issue of 34,883,578 Placement Shares at an issue price of \$0.035 per Placement Share issued on 23 July 2021 under Listing Rule 7.1 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person who participated in the issue, which includes entities controlled by EverBlu or its principals, being Anglo Menda Pty Ltd, Atlantic Capital Group Pty Ltd and Horatio Street Pty Ltd; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) 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
- (ii) 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
- (iii) 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.



## 6. **Resolution 6** – Ratification of Prior Issue of Placement Shares under Listing Rule 7.1A

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

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and prior issue of 27,973,565 Placement Shares at an issue price of \$0.035 per Placement Share issued on 23 July 2021 under Listing Rule 7.1A and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who participated in the issue, which includes entities controlled by EverBlu or its principals, being Anglo Menda Pty Ltd, Atlantic Capital Group Pty Ltd and Horatio Street Pty Ltd; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (i) 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
- (ii) 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
- (iii) 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.

## **Issue of Equity Securities**

## 7. **Resolution 7** – Approval of Issue of Tranche 2 Consultant Options

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of up to 2,000,000 Tranche 2 Consultant Options to the Consultants (or their nominees), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (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 ordinary securities in the Company), which includes Mr Keith Merker and Mr Peter Kampian (or their nominees); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 7 by:

- (i) 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
- (ii) 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
- (iii) 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. Resolution 8 – Approval of Issue of Placement Options

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of up to 62,857,143 Placement Options, attached to the Placement Shares, to sophisticated and institutional investors, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (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 ordinary securities in the Company), which includes entities controlled by EverBlu or its principals, being Anglo Menda Pty Ltd, Atlantic Capital Group Pty Ltd and Horatio Street Pty Ltd; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 8 by:

- (i) 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
- (ii) 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
- (iii) 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. Resolution 9 – Approval of Issue of Broker Shares

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of 2,057,142 Broker Shares to EverBlu (or its nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- EverBlu (or its nominee(s)) 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 ordinary securities in the Company); or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 9 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.

## 10. Resolution 10 – Approval of Issue of Tranche 1 Broker Options

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of 10,000,000 Tranche 1 Broker Options to EverBlu (or its nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- (a) EverBlu (or its nominee(s)) 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 ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 10 by:

- (i) 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
- (ii) 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
- (iii) 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.

## 11. **Resolution 11 – Approval of Issue of Tranche 2 Broker Options**

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of 15,000,000 Tranche 2 Broker Options to EverBlu (or its nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of:

- (a) EverBlu (or its nominee(s)) 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 ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 11 by:

- (i) 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
- (ii) 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
- (iii) 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.

## **Issue of Incentive Options under the Employee Incentive Plan**

### **12. Resolution 12 – Approval of Issue of Incentive Options**

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of 15,000,000 Incentive Options to Mr James Gallant (or his nominee) under the Employee Incentive Plan, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 12 by or on behalf of:

- Mr James Gallant (or his nominee) 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 ordinary securities in the Company); or
- an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 12 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.

### **13. Resolution 13 – Approval of Grant of Options to Mr Michael Di Tommaso, Director of the Company, under the Employee Incentive Plan**

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

*“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue and allotment of 14,000,000 unlisted Options under the Employee Incentive Plan to Mr Michael Di Tommaso, Director of the Company (or his nominee), and otherwise on the*

*terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes on Resolution 13:

- (a) cast in favour by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan, which includes each Director (being Mr Michael Carli, Mr Michael Di Tommaso, Mr Terry Gardiner and Mr Leighton Richards), and each of their Associates; or
- (b) cast as a proxy by any member of the KMP or their Closely Related Parties, who is not directed how to vote.

However, this does not apply to a vote cast in favour of Resolution 13 by:

- (i) 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
- (ii) 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
- (iii) 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.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 13 if:

- (a) the proxy is either:
  - (i) a member of the Company's Key Management Personnel; or
  - (ii) a Closely Related Party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

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

#### 14. **Resolution 14** – Approval of Grant of Options to Mr Michael Di Tommaso, Director of the Company, under the Employee Incentive Plan

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

*"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue and allotment of 13,000,000 unlisted Options under the Employee Incentive*



*Plan to Mr Michael Di Tommaso, Director of the Company (or his nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes on Resolution 14:

- (a) cast in favour by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan, which includes each Director (being Mr Michael Carli, Mr Michael Di Tommaso, Mr Terry Gardiner and Mr Leighton Richards), and each of their Associates; or
- (b) cast as a proxy by any member of the KMP or their Closely Related Parties, who is not directed how to vote.

However, this does not apply to a vote cast in favour of Resolution 14 by:

- (i) 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
- (ii) 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
- (iii) 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.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 14 if:

- (a) the proxy is either:
  - (i) a member of the Company's Key Management Personnel; or
  - (ii) a Closely Related Party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

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

## 15. **Resolution 15** – Approval of Grant of Options to Mr Leighton Richards, Director of the Company, under the Employee Incentive Plan

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

*"That, subject to Resolution 2 being passed, for the purposes of ASX Listing Rule 10.14 and for all*

*other purposes, the Shareholders approve the issue and allotment of 500,000 unlisted Options under the Employee Incentive Plan to Mr Leighton Richards, Director of the Company (or his nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes on Resolution 15:

- (a) cast in favour by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan, which includes each Director (being Mr Michael Carli, Mr Michael Di Tommaso, Mr Terry Gardiner and Mr Leighton Richards), and each of their Associates; or
- (b) cast as a proxy by any member of the KMP or their Closely Related Parties, who is not directed how to vote.

However, this does not apply to a vote cast in favour of Resolution 15 by:

- (i) 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
- (ii) 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
- (iii) 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.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 15 if:

- (a) the proxy is either:
  - (i) a member of the Company's Key Management Personnel; or
  - (ii) a Closely Related Party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

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

## 16. **Resolution 16** – Approval of Grant of Options to Mr Leighton Richards, Director of the Company, under the Employee Incentive Plan

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



*"That, subject to Resolution 2 being passed, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Shareholders approve the issue and allotment of 500,000 unlisted Options under the Employee Incentive Plan to Mr Leighton Richards, Director of the Company (or his nominee), and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes on Resolution 16:

- (a) cast in favour by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan, which includes each Director (being Mr Michael Carli, Mr Michael Di Tommaso, Mr Terry Gardiner and Mr Leighton Richards), and each of their Associates; or
- (b) cast as a proxy by any member of the KMP or their Closely Related Parties, who is not directed how to vote.

However, this does not apply to a vote cast in favour of Resolution 16 by:

- (i) 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
- (ii) 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
- (iii) 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.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 16 if:

- (a) the proxy is either:
  - (i) a member of the Company's Key Management Personnel; or
  - (ii) a Closely Related Party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

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

## **Capital Consolidation**

### **17. Resolution 17 – Consolidation of Capital**

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

*"That, pursuant to section 254H of the Corporations Act and for all other purposes, the issued capital of the Company be consolidated on the basis that:*

- (a) every ten (10) Shares be consolidated into one (1) Share;*
- (b) every ten (10) Options be consolidated into one (1) Option; and*
- (c) every ten (10) Performance Rights be consolidated into one (1) Performance Right,*

*and where this Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction up to the nearest whole Security, further details of which are described in the Explanatory Statement, effective on 10 January 2022, subject to Shareholder approval being obtained."*

**BY ORDER OF THE BOARD**



Andrew Palfreyman  
Company Secretary

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10:00 am (AEDT) on 15 December 2021 as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

## Agenda

### **Ordinary business**

#### Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 2021 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://www.rotogro.com/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

#### **Written questions of the auditor**

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting.

# Resolutions

## **Remuneration Report**

### **Resolution 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://www.rotogro.com/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2022 Annual General Meeting (**2022 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2022 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2022 AGM. All of the Directors who were in office when the 2022 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

#### **Voting**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

## **Election of Director**

### **Resolution 2 – Election of Leighton Richards as Director**

The Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for re-election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Mr Leighton Richards was appointed as an additional Director of the Company on 19 October 2021 and has since served as a Director of the Company.

Under this Resolution, Mr Richards seeks election as a Director of the Company at this AGM.

Mr Richards has over 20 years of experience in business across consumer goods, agriculture and the health & wellness sectors. He has extensive experience across Australia, New Zealand, South

East Asia, China and India. Mr Richards is currently the Chief Executive Officer of WelleCo, an Australian-born company pioneering the premium greens and ingestible beauty movement, globally. He is also a Non-Executive Director of Sunny Ridge Berry Farms, one of the Mornington Peninsula's most iconic attractions, producing strawberries, raspberries, blueberries, and blackberries, where he has held that position since 2016.

### **Directors' recommendation**

The Directors (excluding Leighton Richards) recommend that Shareholders vote for this Resolution.

## **ASX Listing Rule 7.1A**

### **Resolution 3 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

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

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

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 less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$10.96 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

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

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

### **Information Required by ASX Listing Rule 7.3A**

The following information is provided to Shareholder for the purposes of Listing Rule 7.3A.

#### **Period for which the approval will be valid**

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

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

#### Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 Trading Days on which trades in that class were recorded immediately before:

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

#### Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) consideration for the acquisition of new assets and investments, including the expenses associated with such acquisitions; and
- (b) continued expenditure on the Company's current business and general working capital.

#### Risk of economic and voting dilution to existing ordinary Securityholders

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

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.0145 50% decrease in issue price	\$0.029 issue prices <sup>(b)</sup>	\$0.06 100% increase in issue price
<b>"A" is the number of shares on issue, being 342,592,797 Shares<sup>(a)</sup></b>	<b>10% voting dilution<sup>(c)</sup></b>	34,259,279	34,259,279	34,259,279
	<b>Funds raised</b>	\$496,760	\$993,519	\$1,987,038
<b>"A" is a 50% increase in shares on issue, being</b>	<b>10% voting dilution<sup>(c)</sup></b>	51,388,919	51,388,919	51,388,919
	<b>Funds raised</b>	\$745,139	\$1,490,279	\$2,980,557

<b>513,889,195 Shares</b>				
<b>"A" is a 100% increase in shares on issue, being 685,185,594 Shares</b>	<b>10% voting dilution<sup>(c)</sup></b>	68,518,559	68,518,559	68,518,559
	<b>Funds raised</b>	\$993,519	\$1,978,038	\$3,974,076

**Notes:**

- (a) Based on the total number of fully paid ordinary Shares on issue as at 8 November 2021.
- (b) Based on the closing price of the Company's Shares on ASX as at 8 November 2021.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

**Allocation policy for issues under Listing Rule 7.1A**

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

**Issue or agreement to issue equity securities under Listing Rule 7.1A in the 12 months prior to AGM**

The Company has issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM. Details of these issues or agreements to issue are set out in the table below:



Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any) or agreement to issue	Consideration details	Allottees of the Securities
<i>Issued on 23 July 2021</i>				
27,973,565 fully paid ordinary shares	<p>Issue of Placement Shares to professional and sophisticated investors under the Placement as announced by the Company on 20 July 2021. The Placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A.</p> <p>The Placement Shares were fully paid on issue and ranked equally in all respects with existing fully paid ordinary shares previously issued by the Company.</p>	<p>The Placement Shares were issued at A\$0.035 per Share.</p> <p>Closing market price on 19 July 2021 was A\$0.039, representing a discount of 10.26%.</p>	<p>Cash consideration of A\$979,074.77.</p> <p>As at the date of the Notice of Meeting, \$495,544.57 has been spent on research and design initiatives, implementing new and diversified marketing programs and securing new revenue generating opportunities, while \$483,530 remains and will be used for ongoing research and design initiatives.</p>	Professional and sophisticated investors introduced to the Company by the lead manager to the placement, being EverBlu Capital.
<i>Issued on 2 March 2021</i>				
22,632,215 fully paid ordinary shares	<p>Issue of Shares to professional and institutional investors under the placement announced by the Company on 24 February 2021. The placement was completed utilising existing capacity under ASX Listing Rule 7.1 and 7.1A.</p> <p>The Shares were fully paid on issue and ranked equally in all respects with existing fully paid ordinary shares previously issued by the Company.</p>	<p>The Shares were issued at A\$0.05 per Share.</p> <p>Closing market price on 19 February 2021 was A\$0.057, representing a discount of 12.28%.</p>	<p>Cash consideration of A\$1,131,610.75.</p> <p>As at the date of the Notice of Meeting, \$952,265.77 has been spent to drive the roll-out of the vertical farming division globally, while \$179,344.98 remains and will be used to drive the roll-out of the vertical farming division globally.</p>	Professional and sophisticated investors introduced to the Company by the lead manager to the placement, being Peak Asset Management.
<b>Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")</b>			50,605,780	



Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period (fully diluted)

17.77%

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

#### Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolution 3.

## Ratification of Prior Issue of Equity Securities

### Resolution 4 – Ratification of Prior Issue of Options

#### Background

On 30 August 2021, the Company announced the establishment of an advisory board to assist the Company in identifying and capitalising on opportunities in the indoor vertical farming industry for both lawful cannabis and perishable foods (**Advisory Board**). The Company also announced the appointment of Mr Keith Merker and Mr Peter Kampian to the Advisory Board.

As announced on 9 September 2021, the Company issued 4,000,000 unlisted Options in aggregate to Mr Merker and Mr Kampian using the Company's existing capacity under Listing Rule 7.1 (**Tranche 1 Consultant Options**).

The issue of the Tranche 1 Consultant Options is part consideration to the members of the Advisory Board pursuant to a consultancy agreement under which the Company has engaged the services of Mr Merker and Mr Kampian (**Consultancy Agreement**).

#### ASX Listing Rule 7.1

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 4,000,000 Tranche 1 Consultant Options exercisable at A\$0.04 each on or before 6 September 2024 and which were issued on 6 September 2021.

All of the Tranche 1 Consultant Options were issued by utilising the Company's existing capacity under Listing Rule 7.1.

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

The issue of Tranche 1 Consultant Options did not fit within any of the exceptions to Listing Rule 7.1 and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the Issue Date.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities

into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of Tranche 1 Consultant Options for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of Tranche 1 Consultant Options will be excluded in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following their date of issue.

If this Resolution is not passed, the issue of Tranche 1 Consultant Options will be included in calculating the Company's 15% capacity to issue equity securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following their date of issue.

### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Tranche 1 Consultant Options were issued to Mr Merker and Mr Kampian (or their nominees).
- (b) The Company issued 4,000,000 unlisted Options under ASX Listing Rule 7.1.
- (c) The full terms of the Tranche 1 Consultant Options are set out at Annexure A of this Notice of Meeting.
- (d) The Tranche 1 Consultant Options were issued on 6 September 2021.
- (e) The Tranche 1 Consultant Options were issued for nil cash consideration as part payment to Mr Merker and Mr Kampian for services offered under the Consultancy Agreement.
- (f) The services to be delivered under the Consultancy Agreement will assist the Company to identify and capitalise on opportunities in the indoor vertical farming industry for both lawful cannabis and perishable foods.
- (g) The Tranche 1 Consultant Options were issued pursuant to the Consultancy Agreement, as announced on 30 August 2021. The material terms of the Consultancy Agreement include:
  - (i) a term of 12 months;
  - (ii) the issue of certain equity securities, on the following terms:
    - A. 4,000,000 Tranche 1 Consultant Options, which are the subject of this Resolution; and
    - B. 2,000,000 Tranche 2 Consultant Options, subject to Shareholder approval being sought under Resolution 7, exercisable at A\$0.04 each on or before the date that is 3 years from their date of issue and vesting in equal monthly tranches for a period of 12 months,
  - (iii) a monthly fee payable by the Company; and
  - (iv) remuneration in accordance with industry standards for introducing and procuring transactions on behalf of the Company which are successfully completed during the term of the Consultancy Agreement and for 24 months following termination of the Consultancy Agreement.
- (h) A voting exclusion statement in respect of this Resolution is contained in the Notice of Meeting.

### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolution 4.

## Resolutions 5 and 6 – Ratification of Prior Issue of Placement Shares

### Background

As announced by the Company on 20 July 2021, the Company successfully completed a placement to sophisticated and institutional investors (**Placement**) of 62,857,143 new fully paid ordinary shares at an issue price of \$0.035 per share (**Placement Shares**) raising \$2.2 million (before costs). The terms of the Placement also included, subject to Shareholder approval, free attaching Options, each exercisable at \$0.07 and expiring 2 years from their date of issue (**Placement Options**), on the basis that participants under the Placement would receive 1 Placement Option for every 1 Placement Share subscribed for.

On 23 July 2021, the Company issued 62,857,143 Placement Shares using the Company's existing capacity under Listing Rules 7.1 and 7.1A. Accordingly, Resolutions 5 and 6 seek Shareholder approval to approve the issue of:

- (a) 34,883,578 Placement Shares under Listing Rule 7.1 (**Resolution 5**); and
- (b) 27,973,565 Placement Shares under Listing Rule 7.1A (**Resolution 6**).

Shareholder approval is being sought under Resolution 8 of this Notice of Meeting to issue the Placement Options.

### ASX Listing Rules 7.1 and 7.1A

Resolutions 5 and 6 propose that Shareholders of the Company approve and ratify the prior issue and allotment of 62,857,143 Placement Shares, which were issued on 23 July 2021 (**Issue Date**), as follows:

- (a) 34,883,578 Placement Shares under Listing Rule 7.1 (**Resolution 5**); and
- (b) 27,973,565 Placement Shares under Listing Rule 7.1A (**Resolution 6**).

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

At last year's AGM, the Company sought and obtained approval of its Shareholders under Listing Rule 7.1A to increase this 15% limit by an extra 10% to 25%.

The issue of Placement Shares did not fit within any of the exceptions (to Listing Rules 7.1 and 7.1A) and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the expanded 25% limit in Listing Rule 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the Issue Date (noting that the extra 10% under Listing Rule 7.1A will expire unless re-approved by the Company's Shareholders on an annual basis).

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

A note to Listing Rule 7.4 also provides that an issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4 and, if it is, the issue will then be excluded from variable "E" in Listing Rule 7.1A.2 (which means that the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1A is not reduced).

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule

7.1.

To this end, Resolutions 5 and 6 seek Shareholder approval to subsequently approve the issue of the Placement Shares for the purposes of Listing Rule 7.4.

If Resolutions 5 and 6 are passed, the issue of the Placement Shares will be excluded in calculating the Company's 25% capacity to issue equity securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12 month period following the Issue Date.

If Resolutions 5 and 6 are not passed, the issue of the Placement Shares will be included in calculating the Company's 25% capacity to issue equity securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12 month period following the Issue Date.

### **Information required by ASX Listing Rule 7.5**

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to sophisticated and institutional investors who are clients of, and introduced to the Company by, EverBlu as the lead manager to the Placement.
  - (i) In accordance with ASX Guidance Note 21, the Company confirms that in aggregate 20,200,001 Placement Shares were issued to the following entities controlled by its corporate advisor EverBlu or the principals of EverBlu:
    - I. Atlantic Capital Group Pty Ltd, being 19,285,715 Placement Shares;
    - II. Horatio Street Pty Limited, being 857,143 Placement Shares; and
    - III. Anglo Menda Pty Ltd, being 57,143 Placement Shares.
  - (ii) The Company confirms that no related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, or an associate of any of these parties, were issued Placement Shares.
- (b) The Company issued:
  - (i) 34,883,578 Placement Shares (**Resolution 5**); and
  - (ii) 27,973,565 Placement Shares (**Resolution 6**).
- (c) The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The Placement Shares were issued on 23 July 2021.
- (e) Each of the Placement Shares was issued at an issue price of \$0.035 per Placement Share, which raised \$2.2 million (before costs).
- (f) Funds raised from the issue of the Placement Shares have been and will be used by the Company to expand the Company's presence in the indoor vertical farming market for both perishable foods and lawful cannabis, furthering the ongoing research and design initiatives for its patented and proprietary agricultural cultivation technology for perishable foods, while driving sales further into the lawful cannabis space, as well as implementing new and diversified marketing programs and securing new revenue generating opportunities.
- (g) A voting exclusion statement is included in this Notice of Meeting.

### **Directors' recommendation**

The Board of Directors recommend that Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolutions 5 and 6.

## **Issue of Equity Securities**

## Resolution 7 – Approval of Issue of Tranche 2 Consultant Options

### Background

On 30 August 2021, the Company announced the establishment of an advisory board to assist the Company in identifying and capitalising on opportunities in the indoor vertical farming industry for both lawful cannabis and perishable foods (**Advisory Board**). The Company also announced the appointment of Mr Keith Merker and Mr Peter Kampian to the Advisory Board. The services of Mr Merker and Mr Kampian, and the terms under which they have been appointed to the Advisory Board, are outlined in a consultancy agreement (**Consultancy Agreement**).

As announced on 9 September 2021, the Company issued 4,000,000 Tranche 1 Consultant Options in aggregate to Mr Merker and Mr Kampian using the Company's existing capacity under Listing Rule 7.1. The Company is seeking to ratify the issue of 4,000,000 Tranche 1 Consultant Options under Resolution 4.

As part consideration under the Consultancy Agreement, the Company is also obliged to issue 2,000,000 Tranche 2 Consultant Options, subject to Shareholder approval, with an exercise price of A\$0.04 and expiry date that is 3 years from the date of issue.

This Resolution therefore seeks Shareholder approval to issue and allot 2,000,000 Tranche 2 Consultant Options to the Consultants (or their nominees), each with an exercise price of A\$0.04, expiry date that is 3 years from the date of issue and which vest in equal monthly tranches for a period of 12 months.

The effect of this Resolution is for Shareholders to approve the issue of these Tranche 2 Consultant Options to fall within an exception to ASX Listing Rule 7.1, which will allow the Company to issue these without using the Company's 15% capacity under Listing Rule 7.1.

### ASX Listing Rule 7.1

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

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to approve the issue of the unlisted Options under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the issue of the unlisted Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the Shares and Options are issued.

If this Resolution is not passed, and the Company proceeds with the issue, the Tranche 2 Consultant Options will be included in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the unlisted Options are issued.

### Information Required by Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The allottees are Mr Merker and Mr Kampian (or their nominees).
- (b) The maximum number of Tranche 2 Consultant Options to be issued is 2,000,000.

- (c) The full terms of the Tranche 2 Consultant Options are set out at Annexure E of this Notice of Meeting.
- (d) The Tranche 2 Consultant Options will be issued by within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (e) The Tranche 2 Consultant Options will be issued for nil cash consideration and are part payment to Mr Merker and Mr Kampian for services offered under the Consultancy Agreement.
- (f) The services to be delivered under the Consultancy Agreement will assist the Company to identify and capitalise on opportunities in the indoor vertical farming industry for both lawful cannabis and perishable foods.
- (g) The Tranche 2 Consultant Options are proposed to be issued pursuant to the Consultancy Agreement. The material terms of the Consultancy Agreement include:
- (i) a term of 12 months;
  - (ii) the issue of certain equity securities, on the following terms:
    - A. 4,000,000 Tranche 1 Consultant Options, which are the subject of Resolution 4; and
    - B. 2,000,000 Tranche 2 Consultant Options, subject to Shareholder approval being sought under this Resolution 7, exercisable at A\$0.04 each on or before the date that is 3 years from their date of issue and vesting in equal monthly tranches for a period of 12 months,
  - (iii) a monthly fee payable by the Company; and
  - (iv) remuneration in accordance with industry standards for introducing and procuring transactions on behalf of the Company which are successfully completed during the term of the Consultancy Agreement and for 24 months following termination of the Consultancy Agreement.
- (h) A voting exclusion statement in respect of this Resolution is contained in the Notice of Meeting.

### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolution 7.

## **Resolution 8 – Approval of Issue of Placement Options**

### **Background**

The Company proposes to issue Placement Options to participants under the Placement as free attaching Options each exercisable at \$0.07 per Placement Option and expiring 2 years from the date of issue. The Placement Options were offered under a cleansing prospectus lodged by the Company with ASIC and ASX on 23 July 2021 (**Cleansing Prospectus**).

Accordingly, this Resolution seeks Shareholder approval to issue and allot 62,857,143 Placement Options on the terms disclosed in the Cleansing Prospectus. If Shareholder approval is obtained, the Placement Options will fall within an exception to ASX Listing Rule 7.1, which will allow the Company to issue the Placement Options without using the Company's 15% capacity under Listing Rule 7.1.



The Company will seek quotation of the Placement Options, subject to ASX's satisfaction that the terms of the Placement Options meet the necessary requirements under the Listing Rules.

### **ASX Listing Rule 7.1**

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

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to approve the issue of the Placement Options under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the issue of the Placement Options and the Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the Placement Options are issued.

If this Resolution is not passed, the Company will not proceed with the issue of the Placement Options.

### **Information Required by Listing Rule 7.3**

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The allottees are sophisticated and institutional investors who participated in the Placement and are clients of, and introduced to the Company by, EverBlu as the lead manager to the Placement.
  - (i) In accordance with ASX Guidance Note 21, the Company confirms that it proposes to issue in aggregate 20,257,144 Placement Options to the following entities controlled by its corporate advisor EverBlu or its principals:
    - I. Atlantic Capital Group Pty Ltd, proposed to be issued 19,285,715 Placement Options;
    - II. Horatio Street Pty Limited, proposed to be issued 857,143 Placement Options; and
    - III. Anglo Menda Pty Ltd, proposed to be issued 57,143 Placement Options.
  - (ii) Aside from the above, the Company confirms that no related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties.
- (b) The maximum number of Placement Options to be issued is 62,857,143.
- (c) The full terms of the Placement Options are set out in Annexure A of this Notice of Meeting. The Placement Options are intended to be quoted on ASX, subject to approval by the ASX.
- (d) The Placement Options will be issued no later than 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (e) The Placement Options are being issuing as free-attaching Options (one (1) free-attaching Placement Options for every one (1) Placement Share issued) to the Placement and will

therefore be issued for nil cash consideration. As such, no funds will be raised under the issue of the Placement Options. In the event that all of the Placement Options are exercised, the Company will receive up to \$4,400,000.

- (f) A voting exclusion statement is included in this Notice of Meeting.

### Directors' Recommendation

The Board of Directors recommend Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolution 8.

## Resolutions 9 to 11 – Approval of Issue of Securities to EverBlu

### Background

On 19 July 2021, the Company entered into a lead manager mandate with EverBlu Capital Pty Ltd (**EverBlu**), pursuant to which the Company engaged EverBlu to act as lead manager and corporate advisor for a period of 12 months (**Mandate**).

As announced by the Company on 20 July 2021, the Company proposes to issue securities to EverBlu as partial consideration for the provision of lead manager and corporate advisory services in connection with the Mandate.

Under the terms of the Mandate and in connection with the Placement, the Company has agreed to pay EverBlu:

- (a) a monthly retainer fee of \$10,000 per month for corporate advisory services until the end of the engagement, being 12 months;
- (b) cash fee equal to 6% of gross funds raised;
- (c) 2,057,142 Shares (**Broker Shares**), for which Shareholder approval is being sought under **Resolution 9**;
- (d) 10,000,000 listed Options each exercisable at \$0.07 per Option and expiring 2 years from the date of issue (**Tranche 1 Broker Options**), for which Shareholder approval is being sought under **Resolution 10**; and
- (e) 15,000,000 listed Options each exercisable at \$0.105 per Option and expiring 2 years from the date of issue (**Tranche 2 Broker Options**), for which Shareholder approval is being sought under **Resolution 11**.

If Shareholder approval is not obtained for the grant of the Tranche 1 Broker Options and Tranche 2 Broker Options, then the Company will not proceed with the issue of the Tranche 1 Broker Options and Tranche 2 Broker Options. In the event that this occurs, the Company must make a cash payment to EverBlu based on a Black-Scholes model valuation, provided that the payment does not exceed a total amount of \$300,000.

Accordingly, Resolutions 9 to 11 seek Shareholder approval to issue:

- (a) 2,057,142 Shares Broker Shares (**Resolution 9**);
- (b) 10,000,000 Tranche 1 Broker Options (**Resolution 10**); and
- (c) 15,000,000 Tranche 2 Broker Options (**Resolution 11**).

If Shareholder approval is obtained, the proposed issues under Resolutions 9 to 11 will fall within an exception to ASX Listing Rule 7.1, which will allow the Company to issue those securities without using the Company's 15% capacity under Listing Rule 7.1.

The Company will seek quotation of the Tranche 1 Options and Tranche 2 Options, subject to ASX's satisfaction that the terms of the Tranche 1 Options and Tranche 2 Options meet the necessary requirements under the Listing Rules.



## ASX Listing Rule 7.1

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

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolutions 9 to 11 seek Shareholder approval to approve the issue of the Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options, respectively, under and for the purposes of Listing Rule 7.1.

If Resolutions 9 to 11 are passed, the Company will be able to proceed with the issue of the Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options and they will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options are issued.

If Resolution 9 is not passed, and the Company proceeds with the issue, the Broker Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the Broker Shares are issued.

If Resolutions 10 and 11 are not passed, the Company will not be able to proceed with the issue of the Tranche 1 Broker Options and Tranche 2 Broker Options and will instead be required to pay EverBlu in cash, as described above.

## Information Required by Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Broker Shares, Tranche 1 Broker Options and Tranche 2 Broker Options will be issued to EverBlu (or its nominee(s)).
- (b) The Company proposes to issue a maximum of:
  - (i) 2,057,142 Broker Shares (**Resolution 9**);
  - (ii) 10,000,000 Tranche 1 Broker Options (**Resolution 10**); and
  - (iii) 15,000,000 Tranche 2 Broker Options (**Resolution 11**).
- (c) The Broker Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The full terms of the Tranche 1 Broker Options are set in Annexure B of this Notice of Meeting.
- (e) The full terms of the Tranche 2 Broker Options are set in Annexure C of this Notice of Meeting.
- (f) The Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (g) The Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options will be issued for nil cash consideration.

- (h) Funds will not be raised from the issue of the Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options as they are proposed to be issued as partial consideration for lead manager and corporate advisory services provided by EverBlu under the Mandate. In the event that the Tranche 1 Broker Options and Tranche 2 Broker Options are exercised, the Company will receive up to \$2,275,000.
- (i) The Broker Shares, Tranche 1 Broker Options and the Tranche 2 Broker Options were agreed to be issued pursuant to the Mandate. The material terms of the Broker Mandate are set out on page 30 of this Notice of Meeting.
- (j) A voting exclusion statement is included in this Notice of Meeting.

#### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolutions 9 to 11 (inclusive).

## **Issue of Incentive Securities under the Employee Incentive Plan**

### **Resolution 12 – Approval of Issue of Incentive Options**

#### **Background**

Adoption of the Company's Employee Incentive Plan was approved by Shareholders on 29 November 2019. Mr James Gallant is the Company's Head of Innovation and eligible to participate in the Company's Employee Incentive Plan. Although Mr Gallant is not a related party of the Company, and therefore under ASX Listing Shareholder 7.2 Exception 13 Shareholder approval is not required for an issue of securities under the Employee Incentive Plan, the Company has decided in the interests of transparency to seek such approval.

This Resolution therefore seeks Shareholder approval to issue and allot 15,000,000 Incentive Options to Mr James Gallant (or his nominee).

The effect of this Resolution is for Shareholders to approve the issue of the Incentive Options to fall within an exception to ASX Listing Rule 7.1, which will allow the Company to issue these without using the Company's 15% capacity under Listing Rule 7.1.

The full terms of the Incentive Options are set out at Annexure F.

#### **ASX Listing Rule 7.1**

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

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to approve the issue of the Incentive Options under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the issue of the Incentive Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the Shares and Options are issued.

If this Resolution is not passed, and the Company proceeds with the issue, the Incentive Options will be included in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12 month period following the date on which the Incentive Options are issued.

### Information Required by Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The allottee is Mr James Gallant (or his nominee).
- (b) The maximum number of Incentive Options to be issued is 15,000,000.
- (c) The full terms of the Incentive Options are set out at Annexure F of this Notice of Meeting.
- (d) The Incentive Options will be issued by within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (e) The Incentive Options will be issued for nil cash consideration, pursuant to the terms of the Employee Incentive Plan.
- (f) The Incentive Options are being issued to Mr Gallant (or his nominee) under the Employee Incentive Plan, as the Company's Head of Innovation, to align his interests with the economic interests of Shareholders and incentivise his performance as Head of Innovation.
- (g) The material terms of the Employee Incentive Plan are set out in Annexure G of this Notice of Meeting.
- (h) A voting exclusion statement in respect of this Resolution is contained in the Notice of Meeting.

### Directors' Recommendation

The Board of Directors recommend Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolution 12.

## Resolutions 13 and 14 – Approval of Grant of Options to Mr Michael Di Tommaso, Director of the Company, under the Employee Incentive Plan

### Background

Adoption of the Company's Employee Incentive Plan was approved by Shareholders on 29 November 2019. On 5 October 2021 the Company entered into a new employment agreement with Mr Di Tommaso as chief executive officer (**CEO Employment Agreement**).

Resolutions 13 and 14 seek Shareholder approval under ASX Listing Rule 10.14 to grant the following unlisted Options to Michael Di Tommaso, a Director of the Company, under the Employee Incentive Plan as part of his remuneration:

- (a) 14,000,000 unlisted Options pursuant to Resolution 13 (**Tranche 1 CEO Options**); and
  - (b) 13,000,000 unlisted Options pursuant to Resolution 14 (**Tranche 2 CEO Options**),
- (together, the **Incentive Securities**).

The Company proposes to grant the options to Mr Di Tommaso to align his interests with the economic interests of Shareholders and incentivise his performance as CEO. The terms of the Tranche 1 CEO Options and Tranche 2 CEO Options were set by the Board.

A summary of the material terms of the Incentive Securities are as follows:

Type of Incentive Security	Material terms
Unlisted Options	<b>Tranche 1 CEO Options</b> <ul style="list-style-type: none"> <li>Exercise price: A\$0.06.</li> <li>Expiry: third anniversary of the date of issue.</li> <li>Issue: the Tranche 1 CEO Options will be issued within one month from the date of the meeting and are being issued for nil consideration pursuant to the terms of the Employee Incentive Plan.</li> </ul>
	<b>Tranche 2 CEO Options</b> <ul style="list-style-type: none"> <li>Exercise price: equal to the 5-day VWAP of the Company's shares as at the date of the Employment Agreement, on the below terms: <ul style="list-style-type: none"> <li>2,500,000 options vest upon the 20-day VWAP of the Company's shares (as traded on ASX or another recognised exchange) being equal to or exceeding A\$0.06 from the date of the Employment Agreement to 31 December 2022;</li> <li>2,500,000 options vest upon the 20-day VWAP of the Company's shares (as traded on ASX or another recognised exchange) being equal to or exceeding A\$0.09 from the date of the Employment Agreement to 31 December 2022;</li> <li>2,500,000 options vest upon the 20-day VWAP of the Company's shares (as traded on ASX or another recognised exchange) being equal to or exceeding A\$0.12 from the date of the Employment Agreement to 31 December 2023;</li> <li>2,500,000 options vest upon the 20-day VWAP of the Company's shares (as traded on ASX or another recognised exchange) being equal to or exceeding A\$0.15 from the date of the Employment Agreement to 31 December 2023; and</li> <li>3,000,000 options vest upon the 20-day VWAP of the Company's shares (as traded on ASX or another recognised exchange) being equal to or exceeding A\$0.20 from the date of the Employment Agreement to 31 December 2024.</li> </ul> </li> <li>Issue: the Tranche 2 CEO Options will be issued within one month from the date of the meeting and are being issued for nil consideration pursuant to the terms of the Employee Incentive Plan.</li> </ul>

### Director and Related Party Approvals

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme unless it obtains the approval of its shareholders:

- a director of the Company;
- an associate of a director of the Company; or
- a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders.

As Mr Di Tommaso is a current Director of the Company, the proposed issue of Incentive Securities constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

To this end, Resolutions 13 and 14 seek the required Shareholder approval to issue the Incentive Securities to Mr Michael Di Tommaso under and for the purposes of Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14 for Resolutions 13 and 14, in accordance with Listing Rule 10.12 (exception 8), separate approval is not required under Listing Rule 10.11.

If Resolutions 13 and 14 are passed, the Company will be able to proceed with the proposed issue

of Incentive Securities to Mr Michael Di Tommaso. Furthermore, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1, and the issue of such Options will not count towards the Company's capacity to issue equity securities under Listing Rule 7.1.

If Resolutions 13 and 14 are not passed, the Company will not be able to proceed with the proposed issues and may instead decide to pay Mr Michael Di Tommaso a cash bonus.

### **Chapter 2E of the Corporations Act**

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

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

The proposed issue of Incentive Securities constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person for whom there is reasonable grounds to believe will become a "related party" of a public company.

The non-conflicted Directors of the Company (being the Board with Mr Michael Di Tommaso removed from discussions) carefully considered the issue of these Incentive Securities, and formed the view that the giving of this financial benefit as part of his remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Incentive Securities, and the responsibilities held by Mr Di Tommaso in the Company.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Incentive Securities to Mr Michael Di Tommaso fall within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of Resolutions 13 and 14. Therefore, the proposed issue of Options to Mr Michael Di Tommaso requires Shareholder approval under and for the purposes of Listing Rule 10.14 only.

### **Information Required by ASX Listing Rule 10.15**

The following information in relation to the issue of Incentive Securities to Mr Michael Di Tommaso is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (a) The allottee is Mr Michael Di Tommaso (or his nominee).
- (b) Mr Di Tommaso is a Director of the Company and therefore fall into category 10.14.1 of the Listing Rules.
- (c) The aggregate number of Incentive Securities to be granted to Mr Di Tommaso is 27,000,000 unlisted Options which can be exercised into an equivalent number of Shares (subject to adjustment in accordance with the ASX Listing Rules).
- (d) The total remuneration package received by Mr Michael Di Tommaso as disclosed in the Company's annual report for the year ended 30 June 2021 is:

Item	A\$
Salary and fees	199,653
Superannuation contributions	-

Long service leave accrued during the financial year	-
Share based payments	-
<b>TOTAL</b>	199,653

- (e) Since the Employee Incentive Plan was last approved by Shareholders on 29 November 2019, the Company has not issued any Incentive Securities to Mr Di Tommaso.
- (f) The material terms of the Incentive Securities are set out above under the heading "Background".

The Company has chosen this type of security to align Mr Di Tommaso's remuneration with the performance of the Company.

Based on an independent valuation obtained by the Company prepared by Stantons Corporate Finance Pty Ltd (**CEO Options Valuation Report**), it has given the Options an indicative fair value as follows:

- (i) Tranche 1 CEO Options: A\$131,087, based on the Black Scholes option valuation methodology; and
- (ii) Tranche 2 CEO Options: A\$92,955, based on the Monte Carlo simulation methodology.

The CEO Options Valuation Report containing details of the valuation methodology is attached as Annexure H to the Notice of Meeting.

- (g) The Incentive Securities will be issued within 1 month from the date of this Meeting, if approved by Shareholders of the Company.
- (h) The Incentive Securities are being issued for nil consideration pursuant to the terms of the Employee Incentive Plan.
- (i) The material terms of the Employee Incentive Plan are set out in Annexure D of this Notice of Meeting.
- (j) The Company will not provide a loan to Mr Di Tommaso in connection with the issue of acquisition of the Incentive Securities.
- (k) Details of any securities issued under the Employee Incentive Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14.
- (l) Any additional persons who become entitled to participate in the Employee Incentive Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- (m) A voting exclusion statement for Resolutions 13 and 14 are included in the Notice of Meeting.

### Directors' recommendation

The Directors, excluding Mr Michael Di Tommaso, recommend that Shareholders vote for Resolutions 13 and 14.

The Chair intends to vote in favour of Resolutions 13 and 14.



## Resolutions 15 and 16 – Approval of Grant of Options to Mr Leighton Richards, Director of the Company, under the Employee Incentive Plan

### Background

Adoption of the Company's Employee Incentive Plan was approved by Shareholders on 29 November 2019. On 19 October 2021 the Company appointed Mr Richards as a non-executive Director. As part of his appointment, Mr Richards is entitled to a grant of 1,000,000 unlisted Options, subject to Shareholder approval and his appointment as a Director (which is being sought at Resolution 2).

Resolutions 15 and 16 seek Shareholder approval under ASX Listing Rule 10.14 to grant the following unlisted Options to Leighton Richards, a Director of the Company, under the Employee Incentive Plan as part of his remuneration:

- (a) 500,000 unlisted Options each exercisable at A\$0.07 and expiring on 31 December 2023 pursuant to Resolution 15 (**Tranche 1 Director Options**); and
- (b) 500,000 unlisted Options each exercisable at A\$0.10 and expiring on 31 December 2023 pursuant to Resolution 16 (**Tranche 2 Director Options**),

(together, the **Incentive Securities**).

The Company proposes to grant the options to Mr Richards to align his interests with the economic interests of Shareholders. The terms of the unlisted Options were set by the Board.

A summary of the material terms of the unlisted Options are as follows:

Type of Incentive Security	Material terms
Unlisted Options	<b>Tranche 1 Director Options</b> <ul style="list-style-type: none"><li>Exercise price: A\$0.07.</li><li>Expiry: 31 December 2023.</li><li>Issue: the Tranche 1 Director Options will be issued within one month from the date of the meeting and are being issued for nil consideration pursuant to the terms of the Employee Incentive Plan.</li></ul>
	<b>Tranche 2 Director Options</b> <ul style="list-style-type: none"><li>Exercise price: A\$0.10.</li><li>Expiry: 31 December 2023.</li><li>Issue: the Tranche 1 Director Options will be issued within one month from the date of the meeting and are being issued for nil consideration pursuant to the terms of the Employee Incentive Plan.</li></ul>

### Director and Related Party Approvals

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire securities under an employee incentive scheme unless it obtains the approval of its shareholders:

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

As Mr Richards is a current Director of the Company, the proposed issue of Incentive Securities

constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

To this end, Resolutions 15 and 16 seek the required Shareholder approval to issue the Incentive Securities to Mr Leighton Richards under and for the purposes of Listing Rule 10.14.

If approval is obtained under Listing Rule 10.14 for Resolutions 15 and 16, in accordance with Listing Rule 10.12 (exception 8), separate approval is not required under Listing Rule 10.11.

If Resolutions 15 and 16 are passed, the Company will be able to proceed with the proposed issue of Incentive Securities to Mr Leighton Richards. Furthermore, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1, and the issue of such Options will not count towards the Company's capacity to issue equity securities under Listing Rule 7.1.

If Resolutions 15 and 16 are not passed, the Company will not be able to proceed with the proposed issues and may instead decide to pay Mr Richards in cash.

### **Chapter 2E of the Corporations Act**

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

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

The proposed issue of Incentive Securities constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person for whom there is reasonable grounds to believe will become a "related party" of a public company.

The non-conflicted Directors of the Company (being the Board with Mr Leighton Richards removed from discussions) carefully considered the issue of these Incentive Securities, and formed the view that the giving of this financial benefit as part of his remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Incentive Securities.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Incentive Securities to Mr Richards fall within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of Resolutions 15 and 16. Therefore, the proposed issue of Options to Mr Leighton Richards requires Shareholder approval under and for the purposes of Listing Rule 10.14 only.

### **Information Required by ASX Listing Rule 10.15**

The following information in relation to the issue of Incentive Securities to Mr Leighton Richards is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (a) The allottee is Mr Leighton Richards (or his nominee).
- (b) Mr Richards is a Director of the Company and therefore fall into category 10.14.1 of the Listing Rules.
- (c) The aggregate number of Incentive Securities to be granted to Mr Richards is 1,000,000 unlisted Options which can be exercised into an equivalent number of Shares (subject to adjustment in accordance with the ASX Listing Rules).
- (d) The total remuneration package received by Mr Leighton Richards as disclosed upon his appointment is:



Item	A\$
Salary and fees	48,000
Superannuation contributions	4,800
Long service leave accrued during the financial year	-
Share based payments	-
<b>TOTAL</b>	52,800

(e) Since the Employee Incentive Plan was last approved by Shareholders on 29 November 2019, the Company has not issued any Incentive Securities to Mr Richards.

(f) The material terms of the Incentive Securities are set out above under the heading "Background".

The Company has chosen this type of security to align Mr Richard's remuneration with the performance of the Company.

Based on an independent valuation obtained by the Company prepared by Stantons Corporate Finance Pty Ltd (**Independent Valuation Report**), using the Black Scholes option valuation methodology, it has given the Options an indicative fair value as follows:

- (i) Tranche 1 Director Options: A\$2,616; and
- (ii) Tranche 2 Director Options: A\$1,691.

The Independent Valuation Report containing details of the valuation methodology is attached as Annexure I to the Notice of Meeting.

(g) The Incentive Securities will be issued within 1 month from the date of this Meeting, if approved by Shareholders of the Company.

(h) The Incentive Securities are being issued for nil consideration pursuant to the terms of the Employee Incentive Plan.

(i) The material terms of the Employee Incentive Plan are set out in Annexure D of this Notice of Meeting.

(j) The Company will not provide a loan to Mr Richards in connection with the issue of acquisition of the Incentive Securities.

(k) Details of any securities issued under the Employee Incentive Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

(l) Any additional persons who become entitled to participate in the Employee Incentive Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

(m) A voting exclusion statement for Resolutions 15 and 16 are included in the Notice of Meeting.

### Directors' recommendation

The Directors, excluding Mr Leighton Richards, recommend that Shareholders vote for Resolutions 15 and 16.

The Chair intends to vote in favour of Resolutions 15 and 16.

## **Capital Consolidation**

### **Resolution 17 – Consolidation of Capital**

#### **Background**

Resolution 17 seeks Shareholder approval for the Company to consolidate its issued capital through the consolidation of every 10 Shares into 1 Share, every 10 Options into 1 Option and every 10 Performance Rights into 1 Performance Right (**Consolidation**).

Under section 254H of the Corporations Act, the Company may convert all or any of its shares into a larger or smaller number of shares by ordinary resolution passed at a general meeting.

This section of the Explanatory Statement provides the information required by Listing Rule 7.20 to be provided to Shareholders in relation to the Consolidation.

#### **Purpose of the Consolidation**

The Company currently has a large number of Shares on issue (342,592,797 Shares as at the date of this Explanatory Statement). The Consolidation will result in a more appropriate and effective capital structure for the Company as it seeks to undertake a dual-listing on CSE and is intended to result in a Share price more appealing to a wider range of investors.

Importantly for Shareholders, the Company anticipates that the Consolidation, along with the proposed dual-listing on CSE, will assist to:

- (a) improve its image and visibility in North American markets;
- (b) draw increased attention from investment banks, analysts and investors; and
- (c) provide avenues to additional growth opportunities.

#### **Effect of the Consolidation**

##### Effect on capital structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below:

<b>Capital Structure</b>	<b>Shares</b>	<b>Options</b>	<b>Performance Rights</b>
Pre-Consolidation	342,592,797	108,443,484	9,000,000
Post-Consolidation (if Resolution 17 is passed)	34,259,280	10,844,349	900,000

##### **Notes:**

- (a) Post-Consolidation figures are subject to rounding
- (b) Based on the Company's issued capital as of the date of this Notice, accordingly, does not include any Shares or Options for which Shareholder approval is being sought for their issue under this Notice of Meeting.

##### Shares

If Resolution 17 is approved, every 10 Shares on issue will be consolidated into 1 Share (subject to rounding). Overall, this will result in the number of shares currently on issue reducing from 342,592,797 to 34,259,280 (subject to rounding).

As the Consolidation applies equally to all Shareholders, individual Shareholders will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, assuming no other market movements or impacts occur, the Consolidation will have no effect on the percentage

interest in the Company of each Shareholder. The Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders.

### Options

As at the date of this Notice of Meeting, the Company has 108,443,484 Options on issue. If the Consolidation is approved, the Options will be reorganised in accordance with the terms and conditions of the Options and Listing Rule 7.22.1 on the basis that the number of Options will be consolidated in the same ratio as the Consolidation of Shares and the exercise price will be amended in inverse proportion to that ratio.

The following table sets out the Company's existing Options, their exercise prices and expiry dates, on both a pre- and post- Consolidation basis.

	Number of Options	Exercise Price	Expiry Date
<b>Pre-consolidation</b>	<b>Unlisted Options</b>		
	11,650,000	\$0.3225	24 December 2021 <sup>1</sup>
	1,491,250	\$0.20	7 December 2022
	18,000,000	\$0.06	31 December 2023
	4,000,000	\$0.04	6 September 2024
	<b>Listed Options</b>		
	9,128,000	\$0.20	11 November 2022
	31,507,567	\$0.05	31 December 2023
	32,666,667	\$0.06	31 December 2023
<b>Post-consolidation</b>	<b>Unlisted Options</b>		
	1,165,000	\$3.225	24 December 2021 <sup>1</sup>
	149,125	\$2.00	7 December 2022
	1,800,000	\$0.60	31 December 2023
	400,000	\$0.40	6 September 2024
	<b>Listed Options</b>		
	912,800	\$2.00	11 November 2022
	3,150,757	\$0.50	31 December 2023
	3,266,667	\$0.60	31 December 2023

<sup>1</sup> These Options are due to expire before the Effective Date of 10 January 2022.

The Consolidation will not result in any change in the substantive rights and obligations of existing holders of Options.

### Performance Rights

As at the date of this Notice of Meeting, the Company has 9,000,000 Performance Rights on issue. If the Consolidation is approved, the Performance Rights will be reorganised in accordance with the terms and conditions of the Performance Rights on the basis that the number of Performance Rights will be consolidated in the same ratio as the Consolidation of Shares.

The following table sets out the Company's existing Performance Rights on both a pre- and post-Consolidation basis.

	Number of Performance Rights
<b>Pre-consolidation</b>	9,000,000
<b>Post-consolidation</b>	900,000

#### Fractional entitlements

Where the Consolidation results in an entitlement to a fraction of a Security, that fraction will be rounded up to the nearest whole Security.

#### Holding statements

With effect from the date of the Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post Consolidation basis. New holding statements will be issued to security holders, who are encouraged to check their holdings after the Consolidation.

#### Taxation

The Consolidation should not result in a capital gains tax event for Australian tax residents. The cost base of the Shares held after the Consolidation will be the sum of the cost bases of the original Shares pre-Consolidation. The acquisition date of Shares held after the Share Consolidation will be the same as the date on which the original Shares were acquired.

This Explanatory Statement does not consider the tax implications in respect of Shares or other securities held on revenue account, as trading stock or by non-Australian resident Shareholders. Shareholders should consider their own circumstances and seek professional advice in relation to their tax position. Neither the Company nor any of its officers or employees assumes any liability or responsibility for advising Shareholders or other security holders about the tax consequences of the proposed Consolidation.

#### **Indicative timetable\***

If approved by Shareholders, the proposed Consolidation will take effect in accordance with the following indicative timetable (which has been prepared in accordance with Appendix 7A (paragraph 7) of the ASX Listing Rules).

Event	Date*
Company announces Consolidation	Friday, 12 November 2021
Date of Meeting	Wednesday, 15 December 2021
Effective date of Consolidation	Monday, 10 January 2022
Last day for trading in pre-Consolidation Shares	Tuesday, 11 January 2022
Trading commences in the post-Consolidation Shares on a deferred settlement basis	Wednesday, 12 January 2022

Record Date - Last day for Company to register transfers on a pre-Consolidation basis	Thursday, 13 January 2022
First day for Company to update register and send holding statements to shareholders reflecting the change in the number of shares they hold	Friday, 14 January 2022
Last day for the Company to send notice to Shareholders of the change in their details of holdings. Deferred settlement market ends (provided all holding statements have been sent before noon Sydney time otherwise deferred settlement trading will end on the next Business Day).	Thursday, 20 January 2022

\*This timetable is indicative only and is subject to change.

### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote for this Resolution.

The Chair intends to vote in favour of Resolution 17.

## Enquiries

Shareholders are asked to contact the Company Secretary on +61 2 8072 1400 if they have any queries in respect of the matters set out in these documents.

# Glossary

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2021 Annual Report to Shareholders for the period ended 30 June 2021 as lodged by the Company with ASX on 31 August 2021.

**Annual General Meeting** or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

**ASIC** means Australian Securities and Investment Commission.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Auditor's Report** means the auditor's report of RSM Australia Partners dated 31 August 2021 as included in the Annual Financial Report.

**Board** means the current board of Directors of the Company.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

**Company** means Roto-Gro International ACN 606 066 059.

**Constitution** means the Company's constitution.

**Consultant** means each of Mr Keith Merker and Mr Peter Kampian.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**CSE** means the Canadian Securities Exchange.

**Director** means a current director of the Company.

**Directors' Report** means the report of Directors as included in the Annual Financial Report.

**Dollar** or "\$" means Australian dollars.

**Employee Incentive Plan** means the employee incentive plan approved by Shareholders at the annual general meeting held on 29 November 2019.

**EverBlu** means EverBlu Capital Corporate Pty Ltd (Australian Financial Services Authorised Representative of EverBlu Capital Pty Ltd AFSL 499601) (ABN 50 642 215 343).

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**Incentive Options** means unlisted options issued under the Employee Incentive Plan, the full terms of which are set out at Annexure F of this Notice of Meeting.

**KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting dated 15 November 2021 including the Explanatory Statement.

**Option** means an option which, subject to its terms, could be exercised into a Share.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Performance Right** means a performance right which, subject to its terms, could convert to a Share.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Remuneration Report** means the remuneration report as set out in the Annual Financial Report.

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

**Restricted Voter** means a member of the Company's KMP and any Closely Related Parties of those members.

**Securities** mean Shares, Options and/or Performance Rights (as the context requires).

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

**Shareholder** means a holder of a Share.

**Share Registry** means Computershare Investor Services Limited.

**Special Resolution** means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Spill Meeting** means the meeting that will be convened within 90 days of the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

**Spill Resolution** means the resolution required to be put to Shareholders at the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

**Trading Day** has the meaning given to that term in ASX Listing Rule 19.12.

**Tranche 1 Consultant Options** means 4,000,000 unlisted Options issued on 6 September 2021 to the Consultants, the full terms of which are set out at Annexure A of this Notice of Meeting.

**Tranche 2 Consultant Options** means 2,000,000 unlisted Options proposed to be issued to the Consultants, the full terms of which are set out at Annexure B of this Notice of Meeting.



# Annexure A – Terms of Tranche 1 Consultant Options

## (a) Entitlement

Each Tranche 1 Consultant Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise.

## (b) Exercise Price and Expiry Date

The Tranche 1 Consultant Options have an exercise price of \$0.04 per Tranche 1 Consultant Option (**Exercise Price**) and an expiry date of 5:00pm on 6 September 2024 (**Expiry Date**). A Tranche 1 Consultant Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

## (c) Exercise Period

Subject to paragraph (d), the Tranche 1 Consultant Options are exercisable at any time and from time to time on or prior to the Expiry Date.

## (d) Vesting Conditions

The Tranche 1 Consultant Options vest, and are exercisable, as follows:

- (i) 400,000 Tranche 1 Consultant Options vest on 6 September 2021;
- (ii) 300,000 Tranche 1 Consultant Options vest each month, commencing 6 October 2021 for a period of 12 months.

## (e) Quotation of the Tranche 1 Consultant Options

The Company will not apply to the ASX for official quotation of the Tranche 1 Consultant Options.

## (f) Transferability of the Tranche 1 Consultant Options

The Tranche 1 Consultant Options are not transferable.

## (g) Notice of Exercise

Each Tranche 1 Consultant Option is exercisable by the holder signing and delivering a notice of exercise of Tranche 1 Consultant Option together with the exercise price in full for each Share to be issued upon exercise of each Tranche 1 Consultant Option to the Company's share registry.

## (h) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Tranche 1 Consultant Options with the appropriate remittance should be lodged at the Company's Registry.

## (i) Shares Issued on Exercise

Shares issued on exercise of the Tranche 1 Consultant Options rank equally with the then Shares of the Company.

(j) Participation in New Issues

There are no participation rights or entitlements inherent in the Tranche 1 Consultant Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Tranche 1 Consultant Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Tranche 1 Consultant Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Tranche 1 Consultant Option will be increased by the number of Shares which the holder would have received if the Tranche 1 Consultant Option holder had exercised the Tranche 1 Consultant Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) there will be no adjustment of the Exercise Price of a Tranche 1 Consultant Option or the number of Shares over which the Tranche 1 Consultant Options are exercisable.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Tranche 1 Consultant Option holders will be varied in accordance with the ASX Listing Rules.

# Annexure B – Terms of Tranche 2 Consultant Options

## (a) Entitlement

Each Tranche 2 Consultant Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise.

## (b) Exercise Price and Expiry Date

The Tranche 2 Consultant Options have an exercise price of \$0.04 per Tranche 2 Consultant Option (**Exercise Price**) and an expiry date that is 3 years from the date of issue (**Expiry Date**). A Tranche 2 Consultant Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

## (c) Exercise Period

Subject to paragraph (d), the Tranche 2 Consultant Options are exercisable at any time and from time to time on or prior to the Expiry Date.

## (d) Vesting Conditions

The Tranche 2 Consultant Options vest, and are exercisable, in equal monthly tranches for a period of 12 months, commencing from the 1-month anniversary of the date of issue.

## (e) Quotation of the Tranche 2 Consultant Options

The Company will not apply to the ASX for official quotation of the Tranche 1 Consultant Options.

## (f) Transferability of the Tranche 2 Consultant Options

The Tranche 2 Consultant Options are not transferable.

## (g) Notice of Exercise

Each Tranche 2 Consultant Option is exercisable by the holder signing and delivering a notice of exercise of Tranche 2 Consultant Option together with the exercise price in full for each Share to be issued upon exercise of each Tranche 2 Consultant Option to the Company's share registry.

## (h) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Tranche 2 Consultant Options with the appropriate remittance should be lodged at the Company's Registry.

## (i) Shares Issued on Exercise

Shares issued on exercise of the Tranche 2 Consultant Options rank equally with the then Shares of the Company.

## (j) Participation in New Issues

There are no participation rights or entitlements inherent in the Tranche 2 Consultant Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Tranche 2 Consultant Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Tranche 2 Consultant Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (iii) the number of Shares which must be issued on the exercise of a Tranche 2 Consultant Option will be increased by the number of Shares which the holder would have received if the Tranche 2 Consultant Option holder had exercised the Tranche 2 Consultant Option before the record date for the bonus issue; and

- (iv) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) there will be no adjustment of the Exercise Price of a Tranche 2 Consultant Option or the number of Shares over which the Tranche 2 Consultant Options are exercisable.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Tranche 2 Consultant Option holders will be varied in accordance with the ASX Listing Rules.

## Annexure C – Terms of Placement Options

(a) Entitlement

Each Placement Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise.

(b) Exercise Price and Expiry Date

The Placement Options have an exercise price of \$0.07 per Placement Option (**Exercise Price**) and an expiry date of 5:00pm (AEDT) on the second anniversary of the date of issue (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Exercise Period

The Placement Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(d) Quotation of the Placement Options

The Company will apply to the ASX for official quotation of the Placement Options. The Company gives no assurance that such quotation will be granted.

(e) Transferability of the Placement Options

The Placement Options are freely transferable once quoted on the ASX.

(f) Notice of Exercise

Each Placement Option is exercisable by the Placement Option holder signing and delivering a notice of exercise of Placement Option/s together with the exercise price in full for each Share to be issued upon exercise of each Placement Option to the Company's share registry.

(g) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Placement Options with the appropriate remittance should be lodged at the Company's Registry.

(h) Shares Issued on Exercise

Shares issued on exercise of the Placement Options rank equally with the then Shares of the Company.

(i) Quotation and timing of Issue of Shares

Within 5 business days after receiving a Notice of Exercise, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) apply for official quotation on ASX of the Shares issued pursuant to the exercise of the Placement Options.

(j) Participation in New Issues

There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Placement Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (v) the number of Shares which must be issued on the exercise of a Placement Option will be increased by the number of Shares which the Placement Option holder would have received if the Placement Option holder had exercised the Placement Option before the record date for the bonus issue; and
- (vi) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) there will be no adjustment of the Exercise Price of a Placement Option or the number of Shares over which the Placement Options are exercisable.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Placement Option holders will be varied in accordance with the Listing Rules.

## Annexure D – Terms of Tranche 1 Broker Options

(a) Entitlement

Each Placement Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise.

(b) Exercise Price and Expiry Date

The Placement Options have an exercise price of \$0.07 per Placement Option (**Exercise Price**) and an expiry date of 5:00pm (AEDT) on the second anniversary of the date of issue (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Exercise Period

The Placement Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(d) Quotation of the Placement Options

The Company will apply to the ASX for official quotation of the Placement Options. The Company gives no assurance that such quotation will be granted.

(e) Transferability of the Placement Options

The Placement Options are freely transferable once quoted on the ASX.

(f) Notice of Exercise

Each Placement Option is exercisable by the Placement Option holder signing and delivering a notice of exercise of Placement Option/s together with the exercise price in full for each Share to be issued upon exercise of each Placement Option to the Company's share registry.

(g) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Placement Options with the appropriate remittance should be lodged at the Company's Registry.

(h) Shares Issued on Exercise

Shares issued on exercise of the Placement Options rank equally with the then Shares of the Company.

(i) Quotation and timing of Issue of Shares

Within 5 business days after receiving a Notice of Exercise, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) apply for official quotation on ASX of the Shares issued pursuant to the exercise of the Placement Options.



(j) Participation in New Issues

There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Placement Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of a Placement Option will be increased by the number of Shares which the Placement Option holder would have received if the Placement Option holder had exercised the Placement Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) there will be no adjustment of the Exercise Price of a Placement Option or the number of Shares over which the Placement Options are exercisable.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Placement Option holders will be varied in accordance with the Listing Rules.

## Annexure E – Terms of Tranche 2 Broker Options

(a) Entitlement

Each Tranche 2 Broker Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise.

(b) Exercise Price and Expiry Date

The Placement Options have an exercise price of \$0.105 per Placement Option (**Exercise Price**) and an expiry date of 5:00pm (AEDT) on the second anniversary of the date of issue (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) Exercise Period

The Placement Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(d) Quotation of the Placement Options

The Company will apply to the ASX for official quotation of the Placement Options. The Company gives no assurance that such quotation will be granted.

(e) Transferability of the Placement Options

The Placement Options are freely transferable once quoted on the ASX.

(f) Notice of Exercise

Each Placement Option is exercisable by the Placement Option holder signing and delivering a notice of exercise of Placement Option/s together with the exercise price in full for each Share to be issued upon exercise of each Placement Option to the Company's share registry.

(g) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Placement Options with the appropriate remittance should be lodged at the Company's Registry.

(h) Shares Issued on Exercise

Shares issued on exercise of the Placement Options rank equally with the then Shares of the Company.

(i) Quotation and timing of Issue of Shares

Within 5 business days after receiving a Notice of Exercise, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) apply for official quotation on ASX of the Shares issued pursuant to the exercise of the Placement Options.

(j) Participation in New Issues

There are no participation rights or entitlements inherent in the Placement Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Placement Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Placement Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Placement Option will be increased by the number of Shares which the Placement Option holder would have received if the Placement Option holder had exercised the Placement Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) there will be no adjustment of the Exercise Price of a Placement Option or the number of Shares over which the Placement Options are exercisable.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Placement Option holders will be varied in accordance with the Listing Rules.

# Annexure F – Terms of Incentive Options

## (a) Employee incentive Plan

The Incentive Options are issued under and subject to the rules of the Employee Incentive Plan (**Plan Rules**). In the event of any inconsistency between these terms and the Plan Rules, these terms will prevail to the extent of that inconsistency.

## (b) Entitlement

Each Incentive Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) upon exercise.

## (c) Exercise Price and Expiry Date

The Incentive Options have an exercise price of \$0.06 per Incentive Option (**Exercise Price**) and an expiry date of 31 December 2023 (**Expiry Date**). Any Incentive Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

## (d) Exercise Period

The Incentive Options are exercisable at any time and from time to time on or prior to the Expiry Date.

## (e) Quotation of the Incentive Options

The Company will not apply to the ASX for official quotation of the Incentive Options.

## (f) Transferability of the Incentive Options

The Incentive Options are not transferable.

## (g) Notice of Exercise

Each Incentive Option is exercisable by the holder signing and delivering a notice of exercise of Incentive Option together with the exercise price in full for each Share to be issued upon exercise of each Incentive Option to the Company's share registry.

## (h) Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Incentive Options with the appropriate remittance should be lodged at the Company's Registry.

## (i) Shares Issued on Exercise

Shares issued on exercise of the Incentive Options rank equally with the then Shares of the Company.

## (j) Participation in New Issues

There are no participation rights or entitlements inherent in the Incentive Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the

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currency of the Incentive Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Incentive Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(k) Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Tranche 2 Consultant Option will be increased by the number of Shares which the holder would have received if the Tranche 2 Consultant Option holder had exercised the Tranche 2 Consultant Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(l) Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph (k) will apply) there will be no adjustment of the Exercise Price of a Tranche 2 Consultant Option or the number of Shares over which the Tranche 2 Consultant Options are exercisable.

(m) Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Tranche 2 Consultant Option holders will be varied in accordance with the ASX Listing Rules.

## Annexure G – Summary of Employee Incentive Plan

- (a) The Employee Incentive Plan sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature.
- (b) In making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions.
- (c) Where a participant ceases to be an employee of the Company, that participant's Awards will continue to be held by the participant (or his or her estate as representative) and continue to be subject to the rules of the Employee Incentive Scheme except that any continuous service condition will be deemed to have been waived. However, prior to or within 60 days after a participant ceases to be an employee of the Company, the Board has the discretion to modify the vesting conditions of that person.
- (d) If a participant acts fraudulently or dishonestly in any material respect or is in breach of his or her obligations to any Group Company, then, notwithstanding any other provisions in the Employee Incentive Plan rules, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited.
- (e) In certain circumstances, Shares, Performance Rights or Options can vest early (on a pro rata basis), including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party makes a takeover bid for the Company or if a court-ordered arrangement or compromise, compulsory acquisition following a takeover bid or the winding up of the Company.
- (f) The total number of Shares that would be issued were each Option, Performance Right and Share under the Employee Incentive Plan exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the Employee Incentive Plan, must not, at any time, exceed 5% of the total number of Shares on issue as at the time of the invitation or offer. Shares issued under the Employee Incentive Plan will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares.
- (g) The Board has discretion to impose restrictions (except to the extent prohibited by law of the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares.
- (h) The Board is granted a certain level of discretion under the Employee Incentive Plan, including the power to amend the rules under which the Employee Incentive Plan is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

## Annexure H – CEO Options Valuation Report

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11 October 2021

The Directors  
Roto-Gro International Limited  
C/- Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

Dear Directors,

## Options Valuation

### 1 Introduction

- 1.1 At the request of Andrew Palfreyman on behalf of Roto-Gro International Limited ("**RGI**" or the "**Company**") on 8 October 2021, Stantons Corporate Finance Pty Ltd ("**Stantons**") hereby sets out our technical valuation for the following options ("**Options**"), to be granted to the Company's Chief Executive Officer, Michael Di Tommaso subject to shareholder approval.

**Table 1. Options Details**

Security	Recipient	Number	Details	Key Vesting Condition	Expiry Date	Exercise Price
<b>Tranche 1 Options</b>	Michael Di Tommaso	14,000,000	Unlisted Options each exercisable into one ordinary share at any time before the expiry date	n/a	3 years from the issue date	\$0.06
<b>Tranche 2 Options</b>	Michael Di Tommaso	2,500,000	Unlisted Options each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The 20-day volume weighted average price (" <b>VWAP</b> ") of RGI shares being at least \$0.06 from the date of the employment agreement to 31 December 2022	31 December 2022	Equal to the 5-day VWAP of the Company's shares on the date of the employment agreement
<b>Tranche 3 Options</b>	Michael Di Tommaso	2,500,000	Unlisted Options each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The 20-day VWAP of RGI shares being at least \$0.09 from the date of the employment agreement to 31 December 2022	31 December 2022	Equal to the 5-day VWAP of the Company's shares on the date of the employment agreement
<b>Tranche 4 Options</b>	Michael Di Tommaso	2,500,000	Unlisted Options each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The 20-day VWAP of RGI shares being at least \$0.12 from the date of the employment agreement to 31 December 2023	31 December 2023	Equal to the 5-day VWAP of the Company's shares on the date of the employment agreement

<b>Tranche 5 Options</b>	Michael Di Tommaso	2,500,000	Unlisted Options each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The 20-day VWAP of RGI shares being at least \$0.15 from the date of the employment agreement to 31 December 2023	31 December 2023	Equal to the 5-day VWAP of the Company's shares on the date of the employment agreement
<b>Tranche 6 Options</b>	Michael Di Tommaso	3,000,000	Unlisted Options each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The 20-day VWAP of RGI shares being at least \$0.20 from the date of the employment agreement to 31 December 2024	31 December 2024	Equal to the 5-day VWAP of the Company's shares on the date of the employment agreement

- 1.2 The Options are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company.
- 1.3 The Options have been valued in accordance with *AASB2: Share Based Payments* ("**AASB 2**").

## 2 Valuation

### Valuation Methodology

- 2.1 AASB 2 requires the fair value of share-based payments to be estimated using a valuation technique that indicates what the price of those equity instruments would have been on the grant date in an arm's length transaction between knowledgeable, willing parties. The valuation technique must be consistent with generally accepted valuation methodologies for pricing financial instruments.

#### *Tranche 1 Options*

- 2.2 The Tranche 1 Options are not subject to any vesting conditions. Accordingly, the Black Scholes option valuation methodology was used to value the Tranche 1 Options. This methodology was used with the expectation that the majority of the Options will be exercised towards the end of their term, and therefore a European option pricing model is appropriate.

#### *Tranche 2, 3, 4, 5 and 6 Options*

- 2.3 The Tranche 2 to Tranche 6 Options (the "**VWAP Options**") are subject to VWAP vesting conditions, which are considered market-based vesting conditions. Under AASB 2, the value impact of a market condition should be included in the fair value determination at the grant date. A Monte Carlo simulation was used to incorporate a probability-based value impact of the market condition to determine the fair value of each tranche of VWAP Options.
- 2.4 Using Monte Carlo simulation methodology, we simulated future RGI share prices from 8 October 2021 to 31 December 2024, using trading day increments. Based on the simulated share prices, we calculated the 20-day VWAPs as at each day for the period.
- 2.5 For the valuation purpose we assumed all VWAP Options will be exercised at the expiry date.
- 2.6 In each iteration, we determined whether the market condition was met based on whether the simulated 20-day VWAP was greater than the relevant hurdle price at any time. In iterations where the condition was met, the value of a Performance Right was considered to be the difference between the simulated share price at the expiry date and the exercise price, discounted to present value at the risk-free rate. If the condition was not met, the value was nil.
- 2.7 The fair value for each tranche of VWAP Options was determined as the average simulated payoff over 100,000 iterations.

## Valuation Inputs

### *Grant Date*

- 2.8 Under AASB 2, share-based payments should be measured at their grant date, being the date at which there is a mutual understanding of the terms and a legally enforceable agreement. Where shareholder approval is required, the date on which approval is obtained is considered the grant date for financial reporting purposes.
- 2.9 Accordingly, the grant date of the Options for financial reporting purposes will be the date of meeting at which shareholder approval to issue the Options is obtained.
- 2.10 For the purpose of the valuation, we have assumed a grant date of 8 October 2021.

### *Expiry Date*

- 2.11 The expiry dates of the Options are as per Table 1.

### *Spot Price*

- 2.12 The closing price of RGI shares traded on the Australian Securities Exchange ("**ASX**") as at 8 October 2021 was \$0.030, and this is the deemed spot price for the valuation purpose.

### *Exercise Price*

- 2.13 The exercise price of the Tranche 1 Options is \$0.06.
- 2.14 The exercise price of the VWAP Options is the 5-day VWAP to the date of the employment agreement. We have assumed the exercise price for the VWAP Options to be \$0.03, based on the 5-day VWAP to 5 October 2021, which was the date the employment agreement was announced on ASX.

### *Risk-Free Rate*

- 2.15 We used the two-year and three-year Australian government bond rate as proxies for the risk-free rates as appropriate, being approximately 0.09% and 0.35% as at 8 October 2021. We note that under the assumptions of the Black Scholes model and Monte Carlo simulations, the risk-free rate should be on a continuously compounded basis, and accordingly we converted the quoted rates to 0.0900% and 0.3506%.

### *Volatility*

- 2.16 In determining the expected volatility of returns on RGI shares, as per AASB 2, we considered both the historical volatility of the share price over the most recent period commensurate with the expected term of the Options and the tendency of volatility to revert to its mean.
- 2.17 The historical annualised volatility of returns on RGI shares, based on daily closing prices, over the two-year period and three-year period to 8 October 2021 was 98.73% and 92.68%, respectively.
- 2.18 The rolling annual volatility (based on prior year weekly closing prices) of RGI shares to 8 October 2021 is shown below. The average volatility over this period was 72.75%.



Source: S&P Capital IQ

- 2.19 We note that the current volatility is higher than the general historical level. Based on expected reversion to the mean over the life of the Options, we used an expected volatility factor of 75% in our Black Scholes model and Monte Carlo simulations.

#### **Dividends**

- 2.20 We assumed that no dividends will be declared or paid by the Company during the term of the Options.

#### **Options Valuation**

- 2.21 Based on the above, our assessed values of the Options are as follows.

**Table 2. Options Valuation**

	T1 Options	T2 Options	T3 Options	T4 Options	T5 Options	T6 Options
Methodology	Black Scholes	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo
Iterations	n/a	100,000	100,000	100,000	100,000	100,000
Recipient	Michael Di Tommaso	Michael Di Tommaso	Michael Di Tommaso	Michael Di Tommaso	Michael Di Tommaso	Michael Di Tommaso
Assumed grant date	8 October 2021	8 October 2021	8 October 2021	8 October 2021	8 October 2021	8 October 2021
Expiry date	8 October 2024	31 December 2022	31 December 2022	31 December 2023	31 December 2023	31 December 2024
Share price at grant date (\$)	0.03	0.03	0.03	0.03	0.03	0.03
Exercise price (\$)	0.06	0.03	0.03	0.03	0.03	0.03
VWAP Hurdle (\$)	n/a	0.06	0.09	0.12	0.15	0.20
Risk-free rate (%)	0.3506	0.0900	0.0900	0.0900	0.0900	0.3506
Volatility (%)	75	75	75	75	75	75
Fair value per Option (\$)	0.0094 <sup>1</sup>	0.0080 <sup>1</sup>	0.0053 <sup>1</sup>	0.0081 <sup>1</sup>	0.0065 <sup>1</sup>	0.0077 <sup>1</sup>
Number	14,000,000	2,500,000	2,500,000	2,500,000	2,500,000	3,000,000
Total fair value (\$)	131,087	20,110	13,142	20,234	16,293	23,176

### 3 Conclusion

- 3.1 The valuations noted above are not necessarily the market prices that the Options could be traded at and are not necessarily the appropriate values for taxation purposes. Recipients of the Options should seek their own advice as to the tax treatments of receiving the Options.
- 3.2 Should you wish to discuss the above, do not hesitate to contact the undersigned.

Yours faithfully,

**STANTONS CORPORATE FINANCE PTY LTD**



**James Turnbull**  
Authorised Representative

<sup>1</sup> Note: values have been rounded

## Annexure I – Independent Valuation Report

For personal use only

15 October 2021

The Directors  
Roto-Gro International Limited  
C/- Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

Dear Directors,

## Options Valuation

### 1 Introduction

- 1.1 At the request of Andrew Palfreyman on behalf of Roto-Gro International Limited ("**RGI**" or the "**Company**") on 14 October 2021, Stantons Corporate Finance Pty Ltd ("**Stantons**") hereby sets out our technical valuation for the following options ("**Options**"), to be granted under the Employee Incentive Plan ("**EIP**") subject to shareholder approval.

**Table 1. Options Details**

Security	Recipient	Number	Details	Expiry Date	Exercise Price
<b>Tranche 1 Options</b>	Employees	15,000,000	Unlisted Options each exercisable into one ordinary share at any time up to and including the expiry date	31 December 2023	\$0.06
<b>Tranche 2 Options</b>	Employees	500,000	Unlisted Options each exercisable into one ordinary share at any time up to and including the expiry date	31 December 2023	\$0.07
<b>Tranche 3 Options</b>	Employees	500,000	Unlisted Options each exercisable into one ordinary share at any time up to and including the expiry date	31 December 2023	\$0.10

- 1.2 The Options are not subject to any vesting conditions besides the holder remaining in continuous service to the Company.
- 1.3 The Options have been valued in accordance with *AASB2: Share Based Payments* ("**AASB 2**").



## 2 Valuation

### Valuation Methodology

- 2.1 AASB 2 requires the fair value of share-based payments to be estimated using a valuation technique that indicates what the price of those equity instruments would have been on the grant date in an arm's length transaction between knowledgeable, willing parties. The valuation technique must be consistent with generally accepted valuation methodologies for pricing financial instruments.
- 2.2 The Options are not subject to any vesting conditions. Accordingly, the Black Scholes option valuation methodology was used to value the Options. This methodology was used with the expectation that the majority of the Options will be exercised towards the end of their term, and therefore a European option pricing model is appropriate.

### Valuation Inputs

#### *Grant Date*

- 2.3 Under AASB 2, share-based payments should be measured at their grant date, being the date at which there is a mutual understanding of the terms and a legally enforceable agreement. Where shareholder approval is required, the date on which approval is obtained is considered the grant date for financial reporting purposes.
- 2.4 Accordingly, the grant date of the Options for financial reporting purposes will be the date of meeting at which shareholder approval to issue the Options is obtained.
- 2.5 For the purpose of the valuation, we have assumed a grant date of 14 October 2021.

#### *Expiry Date*

- 2.6 The expiry date of the Options is 31 December 2023.

#### *Spot Price*

- 2.7 The closing price of RGI shares traded on the Australian Securities Exchange ("**ASX**") as at 14 October 2021 was \$0.028, and this is the deemed spot price for the valuation purpose.

#### *Exercise Price*

- 2.8 The exercise prices of the Tranche 1 Options, Tranche 2 Options and Tranche 3 Options are \$0.06, \$0.07 and \$0.10, respectively.

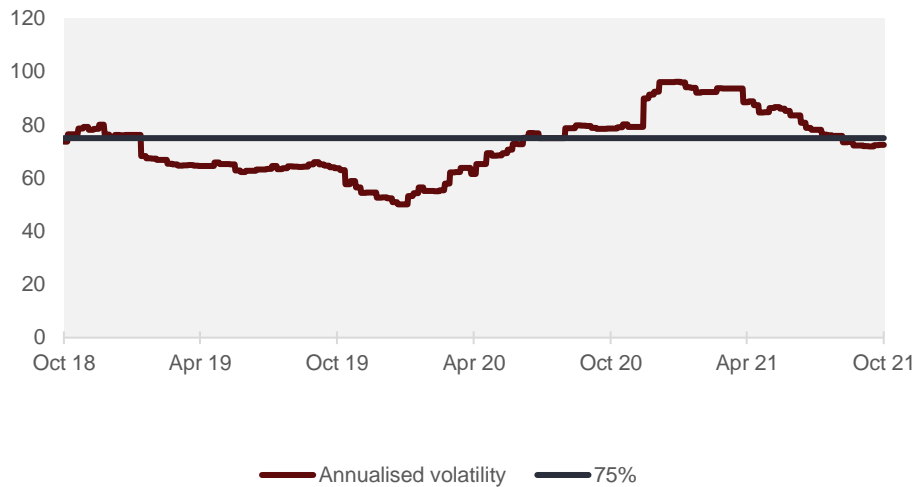
#### *Risk-Free Rate*

- 2.9 We used the two-year Australian government bond rate as a proxy for the risk-free rate, being approximately 0.105% as at 13 October 2021. We note that under the assumptions of the Black Scholes model, the risk-free rate should be on a continuously compounded basis, and accordingly we converted the quoted rate to 0.1051%.

#### *Volatility*

- 2.10 In determining the expected volatility of returns on RGI shares, as per AASB 2, we considered both the historical volatility of the share price over the most recent period commensurate with the expected term of the Options and the tendency of volatility to revert to its mean.
- 2.11 The historical annualised volatility of returns on RGI shares, based on daily closing prices, over the 26-month period to 14 October 2021 was 97.45%.
- 2.12 The rolling annual volatility (based on prior year weekly closing prices) of RGI shares to 14 October 2021 is shown below. The average volatility over this period was 72.74%.

RGI historical annual volatility



Source: S&P Capital IQ

- 2.13 Based on expected reversion to the mean over the life of the Options, we used an expected volatility factor of 75% in our Black Scholes model.

#### **Dividends**

- 2.14 We assumed that no dividends will be declared or paid by the Company during the term of the Options.

#### **Options Valuation**

- 2.15 Based on the above, our assessed values of the Options are as follows.

**Table 2. Options Valuation**

	Tranche 1 Options	Tranche 2 Options	Tranche 3 Options
Methodology	Black Scholes	Black Scholes	Black Scholes
Assumed grant date	14 October 2021	14 October 2021	14 October 2021
Expiry date	31 December 2023	31 December 2023	31 December 2023
Share price at grant date (\$)	0.028	0.028	0.028
Exercise price (\$)	0.060	0.070	0.100
Risk-free rate (%)	0.1051	0.1051	0.1051
Volatility (%)	75	75	75
Dividend yield (%)	nil	nil	nil
<b>Fair value per Option (\$)</b>	<b>0.0062<sup>1</sup></b>	<b>0.0052<sup>1</sup></b>	<b>0.0034<sup>1</sup></b>
Number	15,000,000	500,000	500,000
<b>Total fair value (\$)</b>	<b>92,743</b>	<b>2,616</b>	<b>1,691</b>

### 3 Conclusion

- 3.1 The valuations noted above are not necessarily the market prices that the Options could be traded at and are not necessarily the appropriate values for taxation purposes. Recipients of the Options should seek their own advice as to the tax treatments of receiving the Options.
- 3.2 Should you wish to discuss the above, do not hesitate to contact the undersigned.

Yours faithfully,

**STANTONS CORPORATE FINANCE PTY LTD**



**James Turnbull**  
**Authorised Representative**

<sup>1</sup> Note: values have been rounded

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

RGI

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

## Roto-Gro International Limited Annual General Meeting

The Roto-Gro International Limited Annual General Meeting will be held on Wednesday, 15 December 2021 at 10:00am (AEDT). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

For your proxy appointment to be effective it must be received by 10:00am (AEDT) Monday, 13 December 2021.



### ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit: [web.lumiagm.com/304725214](http://web.lumiagm.com/304725214)

For instructions refer to the online user guide [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide)

RGI

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

## Need assistance?



**Phone:**  
1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (AEDT) on Monday, 13 December 2021.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

## PARTICIPATING IN THE MEETING

### Corporate Representative

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

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**  
**SRN/HIN: I9999999999**  
**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

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

### By Fax:

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



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

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



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



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Roto-Gro International Limited hereby appoint

☐ the Chair of the Meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Roto-Gro International Limited to be held as a virtual meeting on Wednesday, 15 December 2021 at 10:00am (AEDT) and at any adjournment or postponement of that meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 13, 14, 15 and 16 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 13, 14, 15 and 16 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chair.

**Important Note:** If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair to vote for or against or abstain from voting on Resolutions 1, 13, 14, 15 and 16 by marking the appropriate box in step 2.

### Step 2 Items of Business

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

		For	Against	Abstain			For	Against	Abstain
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11	Approval of Issue of Tranche 2 Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Election of Leighton Richards as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12	Approval of Issue of Incentive Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	ASX Listing Rule 7.1A Approval of Future Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	Approval of Grant of Options to Mr Michael Di Tommaso, Director of the Company, under the Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification of Prior Issue of Tranche 1 Consultant Options under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14	Approval of Grant of Options to Mr Michael Di Tommaso, Director of the Company, under the Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Ratification of Prior Issue of Placement Shares under Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15	Approval of Grant of Options to Mr Leighton Richards, Director of the Company, under the Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Ratification of Prior Issue of Placement Shares under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16	Approval of Grant of Options to Mr Leighton Richards, Director of the Company, under the Employee Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Approval of Issue of Tranche 2 Consultant Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Approval of Issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
9	Approval of Issue of Broker Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
10	Approval of Issue of Tranche 1 Broker Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

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

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

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

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

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Computershare

