



D A M S T R A

NOTICE OF ANNUAL GENERAL MEETING

DAMSTRA HOLDINGS LIMITED ACN 610 571 607

TIME: 10:00am (AEDT)

DATE: Wednesday, 30 November 2022

PLACE: Gallery 1 & 2, The Olsen, 637 – 641 Chapel St, South Yarra VIC 3141

Important notice

This Notice of Annual General Meeting should be read in conjunction with the Explanatory Memorandum. The Explanatory Memorandum contains important information about the matters to be considered at the Annual General Meeting of Damstra Holdings Limited and to assist shareholders to determine how to vote on the Resolutions set out in this Notice. Should you wish to discuss any of the matters detailed in this Notice, please do not hesitate to contact the Company Secretary on +61 3 9614 2444 or damstra@cdplus.com.au.

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Notice of Annual General Meeting of Shareholders of Damstra Holdings Limited

Notice is given that the annual general meeting of Shareholders of Damstra Holdings Limited ACN 610 571 607 (the **Company**) will be held:

- on **Wednesday, 30 November 2022 at 10:00am (AEDT)**
- in person at Gallery 1 & 2, The Olsen, 637 – 641 Chapel St, South Yarra VIC 3141 **AND**
- streamed live virtually for Shareholders to view and participate.

Please see Important Information section below for details.

Important Information

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00pm AEDT on Monday, 28 November 2022.

Voting in person at the Meeting

Shareholders will be able to attend and vote at the Meeting in person. To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy or online prior to Meeting

The Meeting will also be streamed live via webcast for Shareholders to view the Meeting.

The Company urges all Shareholders to please utilise the online facilities offered. Shareholder will be able to view the live webcast of the Meeting, vote online in real time and ask Directors questions online.

To vote by proxy prior to the Meeting, you will need to appoint a proxy and either direct the proxy how to vote on each Resolution, or allow the proxy to exercise their discretion in voting your shares.

To submit a direct vote prior to the Meeting, or to appoint a proxy online, please go to:

- www.investorvote.com.au and follow the instructions on your Voting Form; or
- www.intermediaryonline.com for Intermediary Online subscribers.

You may also appoint a proxy by completing and signing the enclosed Voting Form and returning it by the time and in accordance with the instructions set out on the Voting Form.

Proxies will be able to:

- attend the Meeting in person, vote in accordance with their proxy instructions and ask Directors questions in person; or
- view the live webcast of the Meeting, vote online in real time in accordance with their proxy instructions and ask Directors questions online.

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

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

Proxy vote if appointment specifies way to vote

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

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair, the proxy must vote on a poll, and must vote that way (ie. as directed); and
- if the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

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

- an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution at the Meeting; and
- the appointed proxy is not the Chair; and
- at the Meeting, a poll is duly demanded on the Resolution, or is otherwise required under section 250JA, on the question that the Resolution be passed; and
- either of the following applies:
 - the proxy is not recorded as attending the Meeting; or
 - the proxy does not vote on the Resolution,

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

Direct voting

In accordance with rule 5.9(a) of the Constitution, the Directors may:

- determined that for the Meeting, a shareholder that is entitled to attend and vote at the Meeting may submit a direct vote; and
- approved the matters specified below as the means by which Shareholders may deliver a direct vote.

A Shareholder entitled to attend and vote at the Meeting may direct vote by:

- delivering prior to the Meeting a valid notice of their voting intention by means of a direct vote; or
- delivering a direct vote during the Meeting if participating online.

Direct voting prior to the Meeting

A Shareholder may deliver a direct vote by indicating on the Voting Form that they are casting their vote directly and then placing a mark in one of the boxes opposite each item of business on the Voting Form. All of the Shareholder's shares will be voted in accordance with such direction, unless the Shareholder indicates that their direction is:

- to vote only a portion of their votes on any item; or
- to cast their votes in different ways on any item, by inserting the number of shares in the appropriate box or boxes.

If a Shareholder indicates that they are lodging their votes directly and then does not mark any of the boxes on a given item, no direct vote will be recorded on that item.

If a Shareholder indicates that they are delivering their votes directly and then marks more than one box on an item, their vote on that item will be invalid. If a Shareholder inserts a number of shares in boxes on any item that in total exceeds the number of shares that the Shareholder holds as at the voting entitlement time, the Shareholder's vote on that item will be invalid, unless the Shareholder inserted the number of shares in one box only, in which case it will be taken to be valid for the total number of shares held at that time.

Direct voting during the Meeting

Shareholders who wish to participate in the Meeting online must use the Computershare Meeting Platform to attend and participate in the meeting.

To participate in the Meeting, you can log in by entering the following URL <https://meetnow.global/M4VA4NZ> on your computer, tablet or smartphone.

Online registration will open 30 minutes before the meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready. Proxyholders will need to contact Computershare prior to the meeting to obtain their login details.

If you choose to participate in the Meeting online, please follow the instructions below:

- Enter the following URL on your computer, tablet or smartphone: <https://meetnow.global/M4VA4NZ>
- Click on 'Join Meeting Now'.
- Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the meetings to obtain their login details.
- Enter your postcode registered to your holding if you are an Australian securityholder. If you are an overseas securityholder select the country of your registered holding from the drop down list.
- Accept the Terms and Conditions and 'Click Continue'.

Attending the Meeting online enables Shareholders to view the Meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the meeting is in progress.

More information regarding participating in the Meeting online, including browser requirements, is set out in the Online Platform Guide at www.computershare.com.au/virtualmeetingguide

Shareholders who submit direct votes appoint the Chair as their representative for the purposes of rule 5.5 of the Constitution (determination of quorum).

However, Shareholders who submit direct votes will not be entitled to the following rights of Shareholders attending the Meeting by proxy, attorney or representative:

- to join in the election of the chairman of the Meeting under rule 5.6(c) of the Constitution if there is a vacancy in the chairman; or
- to object to the qualification of a voter under rule 5.10(h) of the constitution.

Corporate representatives

A Shareholder that is a body corporate may appoint an individual to act as its representative at the Meeting by providing a duly executed certificate of appointment of corporate representative (**Certificate**). Unless otherwise specified in the Certificate, the representative may exercise all or any of the powers that the body corporate may exercise at the Meeting or in voting on a Resolution. A Certificate is available upon request from the Share Registry.

Appointments must be lodged in advance of the Meeting with the Company's Share Registry.

BUSINESS OF THE GENERAL MEETING

Ordinary business

1. Financial Statements and Reports

To receive and consider the Annual Report of the Company for the financial year ended 30 June 2022, including the financial statements, Directors' Report, the Remuneration Report and the auditor's report.

2. Resolution 1 – Adoption of Remuneration Report

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

“THAT, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2022.”

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

The Chair intends to vote all undirected proxies in favour of this Resolution.

3. Resolution 2 – Re-election of Director – Mr Drew Fairchild

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

“THAT Mr Drew Fairchild, having retired from his office as Director in accordance with rule 6.1(f)(i)(A) of the Constitution and ASX Listing Rule 14.5, and being eligible, having offered himself for re-election, be re-elected as a Director of the Company.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

4. Resolution 3 – Re-election of Director – Mrs Sara La Mela

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

“THAT Mrs Sara La Mela, having retired from her office as Director in accordance with rule 6.1(f)(i)(A) of the Constitution and ASX Listing Rule 14.5, and being eligible, having offered herself for re-election, be re-elected as a Director of the Company.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

5. Resolution 4 – Appointment of Auditor

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

“THAT pursuant to and in accordance with section 327B(1) of the Corporations Act and for all other purposes, William Buck Audit (Vic) Pty Ltd, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the close of the Meeting.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

6. Resolution 5 – Approval of 10% Placement Capacity

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

“THAT, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the Company having the additional capacity to issue 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 over a 12 month period from the date of the Annual General Meeting, at a price no less than that determined pursuant to ASX Listing Rule 7.1A.3 and otherwise on the terms and conditions set out in the Explanatory Memorandum.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

7. Resolution 6 – Approval to amend the Company’s Constitution

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

“THAT, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given to the Company to modify the Company’s Constitution, by making the amendments summarised in the Explanatory Memorandum.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

8. Resolution 7 – Approval of Equity Incentive Plan

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

“THAT, for the purposes of sections 200B, 200E and 257B of the Corporations Act, ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, Shareholders approve the Company’s Equity Incentive Plan on the terms and conditions set out in the Explanatory Memorandum.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

9. Resolution 8 – Ratification of prior issue of Placement Shares under ASX Listing Rule 7.1 pursuant to ASX Listing Rule 7.4

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

“THAT, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue and allotment of 29,423,055 Placement Shares under ASX Listing Rule 7.1 on 10 December 2021 on the terms and conditions as set out in the Explanatory Memorandum.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

10. Resolution 9 – Approval of Director Participation in Equity Incentive Plan and issue of FY23 LTI Options to Johannes Risseeuw

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

“THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of 1,562,500 FY23 LTI Options to Johannes Risseeuw, Chairman and Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

11. Resolution 10 - Approval of Director Participation in Equity Incentive Plan and issue of FY23 LTI Options to Christian Damstra

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

“THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of 1,562,500 FY23 LTI Options to Christian Damstra, Chief Executive Officer and Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

The Chair intends to vote all undirected proxies in favour of this Resolution.

12. Resolution 11 – Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs, to Non-Executive Directors

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

“THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the modification to the compensation package for each of Drew Fairchild, Morgan Hurwitz, Sara La Mela and Simon Yencken, Non-Executive Directors of the Company, including the issue of:

- (a) 25,267 Tranche 1 ZPOs to each Non-Executive Director (being a total of 101,068 Tranche 1 ZPOs) with an expiry date 15 years from the date of issue in connection with their respective role as Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum;
 - (b) 29,600 Tranche 2 ZPOs to each Non-Executive Director (being a total of 118,400 Tranche 2 ZPOs) with an expiry date 15 years from the date of issue in connection with their respective role as Non-
-

Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum;

- (c) *AUD\$4,144 worth of Tranche 3 ZPOs to each Non-Executive Director (being a total of \$16,576 worth of Tranche 3 ZPOs) in connection with their respective role as Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum; and*
- (d) *AUD\$4,144 worth of Tranche 4 ZPOs to each Non-Executive Director (being a total of \$16,576 worth of Tranche 4 ZPOs) in connection with their respective role as Non- Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”*

The Chair intends to vote all undirected proxies in favour of this Resolution.

13. Resolution 12 - Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs to Executive Directors

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

“THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the modification to the compensation package for each of Johannes Risseuw and Christian Damstra, Executive Directors of the Company, including the issue of:

- (a) *34,531 Tranche 1 ZPOs to each Executive Director (being a total of 69,062 Tranche 1 ZPOs) with an expiry date 15 years from the date of issue in connection with their respective role as Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum;*
- (b) *40,450 Tranche 2 ZPOs to each Executive Director (being a total of 80,900 Tranche 2 ZPOs) with an expiry date 15 years from the date of issue in connection with their respective role as Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum;*
- (c) *AUD\$5,663 worth of Tranche 3 ZPOs to each Executive Director (being a total of \$11,326 worth of Tranche 3 ZPOs) in connection with their respective role as Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum; and*
- (d) *AUD\$5,663 worth of Tranche 4 ZPOs to each Executive Director (being a total of \$11,326 worth of Tranche 4 ZPOs) in connection with their respective role as Executive Director of the Company, on the terms and conditions set out in the Explanatory Memorandum.”*

The Chair intends to vote all undirected proxies in favour of this Resolution.

14. Other Business

To transact any other business which may legally be brought before the Meeting.

Dated: 28 October 2022

By order of the Board

**Carlie Hodges
Company Secretary**

VOTING EXCLUSION STATEMENTS

Resolution 1 – Adoption of Remuneration Report

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any Restricted KMP Voter. However, a Restricted KMP Voter may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a Restricted KMP Voter and either:

- the Restricted KMP Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- the Restricted KMP Voter is the Chair and the appointment of the Chair as proxy:
 - does not specify the way the proxy is to vote on this Resolution; and
 - expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 5 – Approval of 10% Placement Capacity

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in the issue of equity securities under this Resolution or a person who may obtain a material benefit as a result of, except a benefit solely in the capacity of a security holder, if the Resolution is passed or any Associates of those persons. However, this does not apply to a vote cast in favour of the resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the direction given to the Chair as specified in the Voting Form; 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Note: As at the date of this Notice, the Company is not proposing to make any issue of equity securities under ASX Listing Rule 7.1A. Accordingly, no Shareholders are excluded from voting on this Resolution.

Resolution 7 – Approval of Equity Incentive Plan

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any person who is eligible to participate in the EIP, or any of their Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair of the Meeting to vote on this 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- it is cast by a member of the Key Management Personnel or their Closely Related Parties as a proxy for a person who is entitled to vote on this Resolution, in accordance with the directions on the proxy form; or
- it is cast by the Chair (who is a member of the Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Further, pursuant to section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the Company's Employee Incentive Plan or their Associates, otherwise the participant or potential participant will not be able to access the benefit of this Resolution in relation to their future retirement. However, a vote may be cast by such a person if:

- the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- it is not cast on behalf of the person or an Associate of the person.

Resolution 8 – Ratification of prior issue of Placement Shares under ASX Listing Rule 7.1 pursuant to ASX Listing Rule 7.4

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of a person who participated in the issue or an Associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the direction given to the Chair as specified in the Voting Form; 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9 – Approval of Director Participation in Equity Incentive Plan and issue of FY23 LTI Options to Johannes Risseeuw

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any Director who is eligible to participate in the EIP, any Associate of a Director who is eligible to participate in the EIP, or any person who is eligible to participate in the EIP whose relationship with the Company, a Director or their Associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders or any of their respective Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair of the Meeting to vote on this 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- it is cast by a member of the Key Management Personnel or their Closely Related Parties as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of Johannes Risseeuw or his Affiliates; or
- it is cast by the Chair (who is a member of the Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 10 - Approval of Director Participation in Equity Incentive Plan and issue of FY23 LTI Options to Christian Damstra

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any Director who is eligible to participate in the EIP, any Associate of a Director who is eligible to participate in the EIP, or any person who is eligible to participate in the EIP whose relationship with the Company, a Director or their Associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders or any of their respective Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair of the Meeting to vote on this 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- it is cast by a member of the Key Management Personnel or their Closely Related Parties as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of Christian Damstra or his Affiliates; or
- it is cast by the Chair (who is a member of the Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 11 – Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs, to Non-Executive Directors

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any Director who is eligible to participate in the EIP, any Associate of a Director who is eligible to participate in the EIP, or any person who is eligible to participate in the EIP whose relationship with the Company, a Director or their Associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders or any of their respective Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair of the Meeting to vote on this 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- it is cast by a member of the Key Management Personnel or their Closely Related Parties as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of each Non-Executive Director or their Affiliates; or
- it is cast by the Chair (who is a member of the Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 12 - Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs to Executive Directors

The Company will disregard any votes cast in favour of this Resolution by, or on behalf of, any Director who is eligible to participate in the EIP, any Associate of a Director who is eligible to participate in the EIP, or any person who is eligible to participate in the EIP whose relationship with the Company, a Director or their Associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders or any of their respective Associates. However, the Company need not disregard a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chair of the Meeting to vote on this 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 this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Further, a vote must not be cast on this Resolution by a member of the Key Management Personnel or a Closely Related Party of such a member acting as a proxy if their appointment does not specify the way the proxy is to vote on this Resolution. However, a vote may be cast by such persons if:

- it is cast by a member of the Key Management Personnel or their Closely Related Parties as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, and it is not cast on behalf of each Executive Director or their Affiliates; or
- it is cast by the Chair (who is a member of the Key Management Personnel) as a proxy and the proxy appointment expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

EXPLANATORY MEMORANDUM

1. Financial Statements and Reports

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so. The Company's Annual Report is available on its website at <https://damstratechnology.com/investors>

Shareholders will be given a reasonable opportunity to ask questions and make comments on the reports, and on the management of the Company, and to ask questions of the auditor.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

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

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and other Key Management Personnel of the Company. The Remuneration Report, which forms part of the Directors' Report on page 9 of the Company's Annual Report sets out the remuneration arrangements and outcomes for the Directors and other Key Management Personnel of the Company. The Company's Annual Report for the year ended 30 June 2022 is available on the Company's website at <https://damstratechnology.com/investors>

The Chair must allow a reasonable opportunity for its Shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

2.2 Voting consequences

Under the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at two consecutive annual general meetings, at least 25% of the votes cast on a resolution in respect of a remuneration report vote against the adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to a vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting. If a Spill Resolution is put to shareholders, all of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting each person whose election or re-election as a director of the company was approved will continue as a director of the company.

2.3 Previous voting results

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

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Person appointed as proxy	Where directions are given on Voting Form	Where no directions are given on Voting Form
Key Management Personnel ¹	Vote as directed	Unable to vote ³
Chair ²	Vote as directed	Able to vote at discretion of proxy if expressly authorised to do so under the Voting Form ⁴
Other	Vote as directed	Able to vote at discretion of proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that Key Management Personnel.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of the Chair.

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Voting Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. Resolution 2 and Resolution 3 – Re-election of Directors - Mr Drew Fairchild and Mrs Sara La Mela

3.1 General

Rule 6.1(f)(i) of the Constitution requires that an election of Directors must take place each year and, excluding the Managing Director and any Director appointed to fill a casual vacancy who must retire under rule 6.1(e):

- one third of remaining Directors; and
- any Director who, if they did not retire, will at the conclusion of the meeting have been in office for three or more years or for three or more annual general meetings since they were last elected to office,

must retire from office. Rule 6.1(g) states that the Director who must retire at a meeting in accordance with rule 6.1(f)(i)(A) is the Director who has been longest in office since their last election. Rule 6.1(i) of the Constitution allows a Director who retires under rule 6.1(f) to be eligible for re-election at that meeting.

Mr Drew Fairchild, Mrs Sara La Mela, Mr Johannes Risseuw and Mr Morgan Hurwitz were all last appointed to the Board on 16 November 2020. The Directors have determined that Mr Drew Fairchild and Mrs Sara La Mela, being two of the longest in office since their last election, will be eligible for re-election at the Meeting. Accordingly, in accordance with rules 6.1(f)(i)(A) and 6.1(g) of the Constitution, Mr Drew Fairchild and Mrs Sara La Mela will retire as Director at the Meeting and, being eligible, will stand for re-election.

If Resolution 2 is passed, Mr Drew Fairchild will continue to be a Director and remain on the Board. If Resolution 2 is not passed, Mr Drew Fairchild will cease to be a Director effective as of the date of this Meeting.

If Resolution 3 is passed, Mrs Sara La Mela will continue to be a Director and remain on the Board. If Resolution 3 is not passed, Mrs Sara La Mela will cease to be a Director effective as of the date of this Meeting.

Personal particulars of Mr Drew Fairchild and Mrs Sara La Mela are set out below.

3.2 Mr Drew Fairchild

Drew joined the Group as a Non-Executive Director in 2016. He has more than 20 years' experience as a Chief Financial Officer and entrepreneur, having commenced his career with Shell Australia, becoming Finance Director and a member of the Board. Prior to his appointment as the Non-Executive Director, he assisted the Company as an adviser during the buy-out of the Company from the Programmed Group. Prior to joining the Group, Drew worked as a Chief Financial Officer within both Fulton Hogan and Cleanaway, and founded an oil and gas investment fund that was sponsored by Intermediate Capital Group PLC. Drew was also the co-founder of the now ASX listed Top Shelf International, a premium Australian spirits company, where he is now the Managing Director.

3.3 Mrs Sara La Mela

Sara has extensive experience as a technology executive in both Australia and North America (Silicon Valley). She is currently the Head of Operations for the Product Growth division at Canva. Prior to this, Sara held various sales and marketing roles at Google and Twitter, and served as Chief Operating Officer of Local Measure, a SaaS platform for customer communications management, for seven years.

3.4 Board Recommendation

The Board (other than Drew Fairchild who has abstained from making a recommendation on Resolution 2 due to his personal interest) recommends that you vote in favour of Resolution 2. Each of the Directors currently intends to vote their respective shareholdings in favour of this Resolution.

The Board (other than Sara La Mela who has abstained from making a recommendation on Resolution 3 due to her personal interest) recommends that you vote in favour of Resolution 3. Each of the Directors currently intends to vote their respective shareholdings in favour of this Resolution.

4. Resolution 4 – Appointment of Auditor

4.1 General

PricewaterhouseCoopers (**PwC**), which is the Company's current auditor, has given notice of its intention to resign as auditor of the Company to ASIC in accordance with section 329(5) of the Corporations Act.

Upon receipt of ASIC's consent to their resignation, PwC has advised that it will submit a notice of resignation to the Company in accordance with section 329(5) of the Corporations Act, such resignation to take effect from the date of the Meeting.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for William Buck to be appointed as the Company's auditor. A copy of this nomination is attached to this Notice as Annexure A.

William Buck has given its written consent to act as the Company's auditor, subject to Shareholder approval and the resignation of PwC.

If this Resolution is passed, the appointment of William Buck as the Company's auditors will take effect from the close of the Meeting.

4.2 Board Recommendation

The Board recommends that you vote in favour of this Resolution. Each Director currently intends to vote their respective shareholdings in favour of this Resolution.

5. Resolution 5 – Approval of 10% Placement Capacity

5.1 General

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue equity securities (which term has the meaning given to it in the ASX Listing Rules) to up to 10% of its issued capital over a period up to 12 months after its annual general meeting (**10% Placement Capacity**). The 10% Placement Capacity is in addition to the capacity to issue securities under ASX Listing Rule 7.1 without shareholder approval.

If Shareholders approve this Resolution, the number of equity securities the Company may issue under its 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 5.3 below). This Resolution is a Special Resolution.

5.2 ASX Listing Rule 7.1A

The ASX Listing Rules provide that an entity that satisfies both of the following tests as at the date of the Meeting (**Eligible Entity**) may seek shareholder approval under ASX Listing Rule 7.1A:

- (a) the entity is not included in the S&P/ASX 300 Index; and
- (b) the entity's market capitalisation is not greater than \$300,000,000.

As at 19 October 2022, the Company's market capitalisation is approximately \$38.6 million and accordingly, as at the date of this Notice, the Company is an Eligible Entity for these purposes.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further shareholder approval. The number of equity securities the Company may issue under its 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 5.3 below).

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

5.3 Number of class of equity securities issued under 10% Placement Capacity

Any equity securities issued in reliance of ASX Listing Rule 7.1A must be:

- in the same class as an existing class of quoted equity securities. The Company currently has one class of equity securities on issue which are quoted, being Shares; and
- issued for cash consideration which is not less than 75% of the 15-day VWAP of equity securities in that class, as set out in further detail in section 5.4.2 of this Explanatory Memorandum.

ASX Listing Rule 7.1A.2 provides that an eligible entity which has obtained shareholder approval at an annual general meeting may issue or agree to issue, during the period of approval, a number of equity securities calculated in accordance with the following formula:

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

Where:

A is the number of shares on issue at the commencement of the Relevant Period:

- (1) plus the number of shares issued in the Relevant Period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- (2) plus the number of shares issued in the Relevant Period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or

- (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken to have been approved under ASX Listing Rules 7.1 or 7.4,
- (3) plus the number of shares issued in the Relevant Period under an agreement to issue securities within ASX Listing Rule 7.2 Exception 16 where:
 - (i) the agreement was entered into before the commencement of the Relevant Period; or
 - (ii) the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rules 7.1 or 7.4,
- (4) plus the number of any other shares issued in the Relevant Period with approval under ASX Listing Rule 7.1 or ASX Listing Rule 7.4,
- (5) plus the number of partly paid shares that became fully paid in the Relevant Period; and
- (6) less the number of shares cancelled in the Relevant Period.

D is 10%.

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by the holders of shares under ASX Listing Rule 7.4.

Relevant Period is:

- if the entity has been admitted to the official list for 12 months or more, the 12-month period immediately preceding the date of the issue or agreement; or
- if the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

5.4 Information required by ASX Listing Rule 7.1A

ASX Listing Rule 7.3A requires the following information to be provided in relation to this Resolution:

5.4.1 10% placement period

The equity securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and ceasing to be valid on the first to occur of:

- (a) 12 months after the date of the Annual General Meeting;
- (b) the time and date of the Company's next annual general meeting; or
- (c) the time and date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or ASX Listing Rule 11.2 (disposal of the Company's main undertaking).

5.4.2 Minimum Price

Any equity securities issued under the 10% Placement Capacity must be in an existing class of quoted equity securities and issued for cash consideration. The minimum price at which the equity securities may be issued under the 10% Placement Capacity is 75% of the VWAP of equity securities in that class, calculated over the 15 trading days on which trades in that class were recorded on the ASX immediately before:

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

5.4.3 Purpose of an issue under 10% Placement Capacity

The Company may issue equity securities under the 10% Placement Capacity as cash consideration in which case the Company intends to use funds raised for either or both of working capital purposes or to fund growth opportunities.

5.4.4 Risk of voting dilution

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive their pro rata interest in the Shares allotted under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below, in the circumstances set out in the table below.

The table below shows the dilution of existing shareholders on the basis of the closing price of the Shares on the ASX on 19 October 2022 (**Closing Price**) and the number of Shares for variable A, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the date of this notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) has increased by 50% and by 100% and the economic dilution where the issue price of Shares issued under the 10% Placement Capacity is 50% less than the Closing Price and 100% greater than the Closing Price.

Variable A in ASX Listing Rule 7.1A.2		Dilution		
		\$0.075	\$0.15	\$0.30
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Variable A = 257,696,388	10% voting dilution (Shares to be issued under 7.1A)	25,769,639	25,769,639	25,769,639
	Funds raised	\$1,932,722.93	\$3,865,445.85	\$7,730,891.70
50% increase in Current Variable A = 386,544,582	10% voting dilution (Shares to be issued under 7.1A)	38,654,459	38,654,459	38,654,459
	Funds raised	\$2,899,084.43	\$5,798,168.85	\$11,596,337.70
100% increase in Current Variable A = 515,392,776	10% voting dilution (Shares to be issued under 7.1A)	51,539,278	51,539,278	51,539,278
	Funds raised	\$3,865,445.85	\$7,730,891.70	\$15,461,783.40

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

The table above has been prepared on the basis of the following assumptions:

- (a) the Issue Price set out in the table is the closing price of the Shares on the ASX on 19 October 2022;
- (a) the Company issues the maximum possible number of equity securities under the 10% Placement Capacity;
- (b) no options or rights convertible into Shares are exercised;
- (c) the Company has not issued any equity securities from the date that is 12 months prior to the date of the Annual General Meeting that were not issued under an exception in ASX Listing Rule 7.2 or which were not approved under ASX Listing Rule 7.1 or 7.4 and Resolution 8 of this Notice is approved by Shareholders; and
- (d) the issue of equity securities under the 10% Placement Capacity consists only of Shares.

Shareholders should note that there is a risk that:

- (a) the market price for the Shares may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- (b) the equity securities issued under the 10% Placement Capacity may be issued at a price that is at a discount to the market price for the Shares on the date of issue,

both of which may affect the amount of funds raised by the issue.

Shareholders should also note that the calculations in the table do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

5.4.5 Allocation under the 10% Placement Capacity

The allottees of the equity securities to be issued under the 10% Placement Capacity will depend on prevailing market conditions and will be determined on a case by case basis. However, the allottees of equity securities could consist of current Shareholders, new investors or both, provided that such allottee is not a Related Party of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (a) the purpose of the issue, including the Company's intentions to raise funds;

- (b) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (c) the number of issues the Company intends to make and the time frame over which they will be made;
- (d) the effect of the issue of the equity securities on the control of the Company;
- (e) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (f) prevailing market conditions; and
- (g) advice from corporate, financial and broking advisers (if applicable).

5.4.6 Previous approval under ASX Listing Rule 7.1A

The Company has previously obtained approval under ASX Listing Rule 7.1A. For the purposes of ASX Listing Rule 7.3A.6, the Company confirms that during the 12 months preceding the date of the Meeting the Company did not issue any equity securities under ASX Listing Rule 7.1A.2.

5.4.7 Voting exclusion statement

A voting exclusion statement is included in the Notice. As at the date of the Notice, the Company has not approached any existing Shareholder, security holder or an identifiable class of existing security holders to participate in any issue of equity securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

5.5 Board Recommendation

The Board recommends that you vote in favour of this Resolution.

6. Resolution 6 – Approval to amend the Company's Constitution

6.1 General

Under section 136(2) of the Corporations Act, a company can modify its constitution or a provision of its constitution by special resolution. Accordingly, the Company seeks Shareholder approval to amend its Constitution by Special Resolution of Shareholders as set out below.

If this Resolution is approved by Shareholders, the Company's Constitution will be amended to reflect the Amended Constitution as set out below.

6.2 Background

The Company's current Constitution contemplates general meetings being held at a physical location, or at two or more locations using technology to facilitate attendance by Shareholders (**Hybrid Meeting**).

Following recent changes to the Corporations Act, meetings of members may be held physically, as a Hybrid Meeting, or if expressly permitted by the entity's constitution, virtually (provided that members, as a whole, are given a reasonable opportunity to participate in the meeting).

The Company proposes to update its Constitution to permit the holding of wholly virtual general meetings (**Amended Constitution**). The Board is of the view that the proposed amendments will provide the Company greater flexibility and accessibility in the conduct of its general meetings, and will ensure that Shareholders can continue to exercise their rights to participate in and vote at meetings in circumstances where wholly virtual meetings are beneficial and in the interests of Shareholders.

The proposed amendments will also incorporate recent changes to the Corporations Act regarding the making of offers in connection with employee share schemes under Part 7.12 of the Corporations Act. In particular, the proposed amendment will allow the Company to increase the 5% issue cap under the Corporations Act in respect of offers for monetary consideration under the Equity Incentive Plan (see Resolution 7) to 10%.

Consequential provisions are included to provide clarity around procedural matters, including that 'online' attendees are treated as being present in the meeting and are counted for a quorum.

6.3 Proposed amendment

Shareholders can request a copy of the marked-up version of the Amended Constitution by contacting the Company Secretary at damstra@cdplus.com.au. A summary of the proposed amendments is also set out below:

Rule	Proposed amendment ¹
New Rule 2.9	<p><u>2.9 Issue cap for offers involving monetary consideration under an employee incentive scheme</u></p> <p>(a) For the purposes of section 1100V(2)(a) of the Corporations Act, the Company may only make an offer of ESS Interests if, at the time the offer is made, the Company reasonably believes:</p> <ul style="list-style-type: none"> (i) the total number of Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the offer; and (ii) the total number of shares that are, or are covered by, the ESS Interests that have been issued, or could have been issued, under offers made under the Company's employee share scheme at any time during the 3 year period ending on the day the offer is made. <p><u>does not exceed 10% of the number of shares actually on issue as at the start of the day the offer is made.</u></p>
Rule 5.1	<p>5.1 Convening of general meetings</p> <p>(a) A general meeting may be convened by:</p> <ul style="list-style-type: none"> (i) a director, while the Company is a Listed Company; (ii) the directors by resolution of the board; or (iii) members or the court in accordance with sections 249E, 249F and 249G of the Corporations Act. <p>(b) A general meeting must be convened by the directors in accordance with section 249D of the Corporations Act.</p> <p>(c) Subject to rule 5.1(f), the directors may by notice, whenever they think fit, postpone, cancel or change the venue <u>or venues</u> for a general meeting.</p> <p>(d) A notice postponing, cancelling or changing the venue <u>or venues</u> for a general meeting must state the reason for the cancellation or postponement and:</p> <ul style="list-style-type: none"> (i) be published in a daily newspaper circulating in Australia; (ii) while the Company is a Listed Company, be given to the Exchange; or (iii) subject to the Corporations Act and the Listing Rules, be given in any other manner determined by the directors. <p>(e) A notice postponing or changing the venue <u>or venues</u> for a general meeting must specify the date, time and place<u>venue or venues</u> of the general meeting.</p> <p>(f) A general meeting convened under section 249D of the Corporations Act may not be postponed beyond the date by which section 249D requires it to be held and may not be cancelled without the consent of the member or members who requested it.</p>
Rule 5.2	<p><u>5.2 Holding a general meeting</u></p> <p>(a) A general meeting may be held:</p> <ul style="list-style-type: none"> (i) at one or more physical venues; (ii) at one or more physical venues and using Virtual Meeting Technology; or (iii) using Virtual Meeting Technology only. <p><u>provided that, in each case, members as a whole are given a reasonable opportunity to participate in the meeting, and otherwise in the manner determined by the directors.</u></p> <p>(b) <u>If the directors elect to use Virtual Meeting Technology for a general meeting, the directors will determine the type of Virtual Meeting Technology to be used, which may include (without limitation) any combination of telephone, video conferencing, messaging, smartphone application or any other audio and/or visual device which permits instantaneous communication.</u></p>

¹ Underlined text shown in this table is proposed to be added to the relevant rule of the Constitution. Text which is shown as being struck out is proposed to be deleted from the relevant rule of the Constitution.

Rule	Proposed amendment ¹
	<p>(c) <u>If a general meeting is held using Virtual Meeting Technology, the directors may (subject to the Corporations Act, the Listing Rules and the Operating Rules) make rules or requirements in connection with participation in the meeting by that technology, including rules or requirements to verify the identity of a person or to ensure the security of the technology. The directors may communicate such rules and procedures (or instructions on how they can be accessed) to members by notification to the ASX.</u></p> <p>(d) <u>If, before or during a general meeting that is held or appointed to be held using Virtual Meeting Technology, any technical difficulty occurs where all members entitled to attend the meeting may not be able to participate, the chair may:</u></p> <p style="padding-left: 40px;">(i) <u>postpone or adjourn the general meeting until the difficulty is remedied or to such other time or venue as the chair determines; or</u></p> <p style="padding-left: 40px;">(ii) <u>subject to the Corporations Act, continue the meeting provided that a quorum remains present and able to participate in the meeting.</u></p> <p>(e) <u>Subject to the Corporations Act, a general meeting held using Virtual Meeting Technology and anything done (including the passing of a resolution) at the meeting is not invalid because of the inability of one or more members to access, or to continue to access, the Virtual Meeting Technology for the meeting, provided that sufficient members are able to participate in the meeting as are required to constitute a quorum.</u></p> <p>5.2 — Use of technology at general meetings</p> <p>(a) — The Company may hold a general meeting at two or more venues using any technology that gives the shareholders as a whole a reasonable opportunity to participate.</p> <p>(b) — If the technology used in accordance with rule 5.2(a) encounters a technical difficulty, whether before or during the meeting, which results in a shareholder not being able to participate in the meeting, the chair may, subject to the Corporations Act and this constitution, allow the meeting to continue or may adjourn the meeting either for such reasonable period as may be required to fix the technology or to such other time and location as the chair deems appropriate.</p> <p>(c) — The chair, in his or her discretion, or the directors, in their discretion, may determine that members who do not attend the meeting may participate in the meeting using technology and may require the adoption of any procedures which are in his or her, or their, opinion necessary or desirable for proper and orderly debate or discussion (if such participation is permitted).</p>
Rule 5.3(c)	(c) A notice of a general meeting must specify the date, time and place <u>venue or venues</u> of the meeting and, except as provided in rule 5.3(d), state the general nature of the business to be transacted at the meeting and any other matters required under the Corporations Act.
Rule 5.4(b)	(b) <u>If a general meeting is held at one or more physical venues, or at one or more physical venues and using Virtual Meeting Technology, and if</u> the chair of a general meeting considers that there is not enough room for the members who wish to attend the meeting <u>at a physical venue</u> , he or she may arrange for any person whom he or she considers cannot be seated in the main meeting room <u>at a physical venue</u> to observe or attend the general meeting in a separate room. Even if the members present in the separate room are not able to participate in the conduct of the meeting, the meeting will nevertheless be treated as validly held in the main room <u>at the physical venue</u> .
Rule 5.5(c)	<p>(c) If a quorum is not present within 30 minutes after the time appointed for a general meeting:</p> <p style="padding-left: 40px;">(i) where the meeting was convened by, or at the request of, a member or members, the meeting must be dissolved; or</p> <p style="padding-left: 40px;">(ii) in any other case:</p> <p style="padding-left: 80px;">(A) the meeting stands adjourned to such day, and at such time and place<u>venue or venues</u>, as the directors determine or, if no determination is made by the directors, to the same day in the next week at the same time and place<u>venue or venues</u>; and</p>

Rule	Proposed amendment ¹
	(B) if, at the adjourned meeting, a quorum is not present within 30 minutes after the time appointed for the meeting, the meeting must be dissolved.
Rule 5.7(k)	(k) Where a meeting is adjourned, the directors may, by notice to the Exchange, postpone, cancel or change the venue <u>or venues</u> of the adjourned meeting but a general meeting convened under section 249D of the Corporations Act may not be postponed beyond the date by which section 249D requires it to be held and may not be cancelled without the consent of the member or members who requested it.
Rules 6.6 – 6.8	<p>6.6 Proceedings of directors</p> <p>(a) The directors may hold meetings for the despatch of business and adjourn and otherwise regulate their meetings as they think fit.</p> <p>(b) Subject to the Corporations Act, the contemporaneous linking together by a form of technology of a meeting of directors is held using a form of Virtual Meeting Technology, and the number of the directors <u>is</u> sufficient to constitute a quorum, constitutes a meeting of the directors and all <u>of</u> the provisions in this constitution relating to meetings of the directors apply, so far as they can and with such changes as are necessary, to meetings of the directors held using a form of technology<u>Virtual Meeting Technology</u>.</p> <p>(c) A meeting by telephone or other electronic means<u>using a form of Virtual Meeting Technology</u> is taken to be held at the place<u>venue</u> where the chair of the meeting is or at such other place<u>venue</u> the chair of the meeting decides on, as long as at least one of the directors involved was at the place<u>venue</u> for the duration of the meeting.</p> <p>(d) A director taking part in a meeting by telephone or other electronic means<u>using a form of Virtual Meeting Technology</u> is taken to be present in person at the meeting.</p> <p>(e) If, before or during the meeting, any technical difficulty occurs whereby one or more director has ceased to participate, the chair may adjourn the meeting until the difficulty is remedied or, provided a quorum of directors remains present, may continue with the meeting.</p> <p>6.7 Convening of meetings of directors</p> <p>(a) A director may, whenever the director thinks fit, convene a meeting of the directors.</p> <p>(b) A secretary must, on the requisition of a director, convene a meeting of the directors.</p> <p><u>(c) A meeting of the directors may be held:</u></p> <p><u>(i) at one or more physical venues;</u></p> <p><u>(ii) at one or more physical venues and using Virtual Meeting Technology; or</u></p> <p><u>(iii) using Virtual Meeting Technology only.</u></p> <p><u>(d) A meeting of directors may be held using any Virtual Meeting Technology consented to by all the directors. The consent may be a standing one. A director may only withdraw their consent within a reasonable period before the meeting.</u></p> <p>6.8 Notice of meetings of directors</p> <p>(a) Subject to this constitution, notice of a meeting of directors must be given to each person who is at the time of giving the notice:</p> <p>(i) a director, other than a director on leave of absence approved by the directors; or</p> <p>(ii) an alternate director appointed under rule 6.13 (Alternate directors) by a director on leave of absence approved by the directors.</p> <p>(b) A notice of a meeting of directors:</p> <p>(i) must specify the time and place<u>venue or venues</u> of the meeting, <u>and if the meeting will be held using Virtual Meeting Technology, sufficient information to allow the directors to participate in the meeting by means of the technology;</u></p> <p>(ii) need not state the nature of the business to be transacted at the meeting;</p>

Rule	Proposed amendment ¹
	<p>(iii) may be given in person, by post or, subject to the Corporations Act, by a form of technology <u>other electronic means</u>; and</p> <p>(iv) will be taken to have been given to an alternate director if it is given to the director who appointed that alternate director.</p>
Rule 13.1	<p>13.1 Notices by the Company to members</p> <p>(a) A notice may be given by the Company to a member:</p> <p>(i) by serving it personally at, or;</p> <p>(ii) by sending it by post in a prepaid envelope to, the member's address as shown in the register of members or any other address, or by;</p> <p>(iii) <u>by sending (including by providing a URL link to any document or attachment) it to the fax or electronic mail to such fax number or electronic address (if any) that as the member has supplied to the Company for the giving of notices; or</u></p> <p><u>(iv) by notifying the member by an electronic means nominated by the member that:</u></p> <p style="padding-left: 40px;"><u>(A) the document is available; and</u></p> <p style="padding-left: 40px;"><u>(B) how the member may use the nominated access means to access the document;</u></p> <p>(v) if the member does not have a registered address and has not supplied another address to the Company for the giving of notices, by exhibiting it at the registered office of the Company; <u>or</u></p> <p><u>(vi) by such other means as permitted by the Corporations Act.</u></p>
Schedule 1 Rule 1	<p>New definitions:</p> <p><u>"ESS Interest" has the meaning under section 1100M(1) of the Corporations Act;</u></p> <p><u>"Virtual Meeting Technology" means any technology (including online platforms) that allows a person to participate in a meeting without being physically present at the meeting;</u></p>
Schedule 1 Rule 2	<p>(c) A member is to be taken to be present at a general meeting if the member is present in person <u>or via Virtual Meeting Technology</u> or by proxy, attorney or Representative.</p> <p>(f) (viii) <u>a reference to a "venue" of a meeting may be, but need not be, a physical place.</u></p>

6.4 Board Recommendation

The Board recommends that you vote in favour of this Resolution and each Director currently intends to vote their respective shareholdings in favour of this Resolution.

7. Resolution 7 – Approval of Equity Incentive Plan

7.1 Background

Prior to the Company's admission to the Official List of the ASX in October 2019, the Company adopted an equity incentive plan (EIP). The Board is now seeking to approve the EIP for purposes under the Corporations Act and the ASX Listing Rules.

7.2 Corporations Act

Shareholders are being asked to approve the EIP for all purposes under the Corporations Act, including but not limited to:

- Termination Benefits

Sections 200B of the Corporations Act requires shareholder approval by ordinary resolution, and in accordance with section 200E, in order to access the exemption from the prohibition on a company giving a person a benefit in connection with that person's retirement from an office or position of employment in that company where that person is or was in the three years prior to his or her retirement, in a managerial or executive office in that company.

The EIP allows the Board, in its discretion, to afford persons ceasing employment with the Company certain benefits under the EIP. The term "benefit" has a wide operation and may include the Board exercising its discretion to permit the exercise of options or retention of performance rights granted under the EIP (**EIP Benefit**).

For a section 200B benefit to be allowed, section 200E requires that this Notice provide Shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matters, events and circumstances that will, or are likely to, affect the calculation of the value.

In the circumstance of a possible EIP Benefit, the value of the termination benefits that the Board may give under the EIP cannot be determined in advance, as many of the factors that will or are likely to affect that value will not be known until the time the benefit is decided to be awarded (if at all). The Board has not determined whether it will exercise discretion to grant any EIP Benefits or in what circumstances it will exercise its discretion.

Specifically, the value of the EIP Benefit will depend on a number of factors, including the Company's share price at the time of the EIP Benefit and the number of Securities to which the Board will apply such EIP Benefit (if any). Shareholders should note the possible EIP Benefit is restricted to the exercise of options or retention of performance rights post-cessation of employment and does not change the exercise price, or number of Shares which are subject to the exercise or conversion, of the options and performance rights.

- **Employee Share Scheme Buy-Back**

Section 257B(1) of the Corporations Act sets out the procedure for various forms of buy-back, including an 'employee share scheme buy-back'. In order for the Company to undertake a buy-back of Shares issued under the EIP (for example in situations where the Shares are forfeited by participants in accordance with their terms of issue) using the employee share scheme buy-back procedure under the Corporations Act, the EIP must be approved by Shareholders for this purpose.

7.3 ASX Listing Rule 7.2, Exception 13

Broadly speaking, subject to certain exceptions prescribed under the ASX Listing Rules, ASX Listing Rule 7.1 limits the number of securities that a company may issue without shareholder approval over any 12-month period to 15% of the total of the number of shares the company had on issue at the start of the 12-month period (**15% Placement Capacity**).

ASX Listing Rule 7.2, Exception 13(b) provides that ASX Listing Rule 7.1 does not apply to issues of securities under an employee incentive scheme if, within three years before the date on which the securities are issued, shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If this Resolution is passed, the Company will be able to issue securities under the EIP to eligible participants without affecting the Company's ability to issue securities under the Company's 15% Placement Capacity. The Board believes this will provide the Company with the flexibility necessary to raise additional capital under its 15% Placement Capacity as and when appropriate and provide long term incentives to its current and future staff.

If this Resolution is not passed, the Company will be unable to issue securities under the EIP without affecting the Company's ability to issue securities under the Company's 15% Placement Capacity.

Accordingly, the Company will be required to:

- issue such securities under the Company's 15% Placement Capacity; or
- consider alternative incentive arrangements for Australian resident employees which are consistent with the Company's remuneration principles, including providing an equivalent cash incentive.

The following further information is provided for the purposes of ASX Listing Rule 7.2, Exception 13(b):

- (a) a summary of the EIP is enclosed at Annexure B;
- (b) since the Company adopted the EIP and Company listed on ASX, the Company has issued 16,924,701 securities under the EIP; and
- (c) the maximum number of securities that may be issued under the EIP following Shareholder approval at the Meeting is 38 million securities, plus a number of securities equal to the number of securities issued under the EIP (either before or after the Meeting) that are cancelled after the date of the Meeting (if any) (for example due to failure to achieve vesting conditions or cessation of employment). It is not expected that this amount of securities will be issued under the EIP, rather, this amount is simply provided as the maximum number of securities which may be issued under the EIP in the future for the purposes of ASX Listing Rule 7.2 (Exception 13(b)); and
- (d) a voting exclusion statement in respect of this Resolution is set out in the Notice.

7.4 Board Recommendation

The Board recommends that you vote in favour of this Resolution.

8. Resolution 8 – Ratification of prior issue of Placement Shares under ASX Listing Rule 7.1 pursuant to ASX Listing Rule 7.4

8.1 General

On 10 December 2021, the Company announced that it had completed a placement of 29,423,055 Shares (**Placement Shares**) to sophisticated and institutional investors (**Placement**). The Placement raised approximately \$10 million (before costs) at \$0.34 per Placement Share. The proceeds of the Placement were used to support growth in sales capability and resources, especially in the North American market, ensure availability of funds for TIKS deferred consideration payment, further invest in development of Damstra's Enterprise Protection Platform and for the Company's general working capital purposes.

The Company issued the Placement Shares under its 15% Placement Capacity. The issue of the Placement Shares did not breach ASX Listing Rule 7.1.

Under this Resolution, the Company is seeking Shareholder ratification of the issue of the Placement Shares pursuant to ASX Listing Rule 7.4. Such approval will refresh the Company's ability to issue that number of securities under its 15% Placement Capacity in the future.

8.2 ASX Listing Rules 7.1 and 7.4

Broadly speaking, subject to certain exceptions prescribed under the ASX Listing Rules, ASX Listing Rule 7.1 limits the number of securities that a company may issue without shareholder approval over any 12-month period to the 15% Placement Capacity.

ASX Listing Rule 7.4 allows for shareholders to subsequently approve an issue of, or agreement to issue, securities, provided the issue did not breach ASX Listing Rule 7.1 at the time of issue. If Shareholders do provide approval, the issue is taken to have been approved under ASX Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without shareholder approval under that Rule.

At the time of issue, the issue of the Placement Shares did not fall within any exception in ASX Listing Rule 7.2. As the issue has not yet been approved by Shareholders, 29,423,055 Placement Shares are using up a part of the Company's 15% Placement Capacity, reducing the Company's capacity to issue further equity securities without shareholder approval under ASX Listing Rule 7.1 for the 12-month period following the issue of the Placement Shares.

If this Resolution is passed, the Placement Shares will be excluded in calculating the Company's 15% Placement Capacity, effectively increasing the number of equity securities the Company can issue without obtaining Shareholder approval over the 12-month period following the issue date of the Placement Shares.

If this Resolution is not passed, the Placement Shares will be included in calculating the Company's 15% Placement Capacity, effectively decreasing the number of equity securities it can issue without obtaining Shareholder approval over the 12-month period following the issue date of the Placement Shares.

The Directors consider it prudent to retain the flexibility and capacity to issue additional securities in accordance with ASX Listing Rule 7.1 if circumstances require and, accordingly, seek Shareholders' ratification of the issue of the Placement Shares as set out in this Resolution.

8.3 Summary of the issue of Placement Shares under this Resolution

For the purpose of ASX Listing Rule 7.5, the following information is provided:

- (a) the Placement Shares were issued to various unrelated sophisticated, professional and institutional investors who satisfied the definitions contained in section 708(8) and 708(11) of the Corporations Act. The Company engaged the services of Shaw and Partners Limited ABN 24 003 221 583 as lead manager and bookrunner (**Lead Manager**) for the Placement. The Lead Manager canvassed interest from their book of investors in the ordinary course of their service offerings in identifying prospective investors. No members of the Company's key management personnel, substantial holders or advisers to the Company, nor any of their respective related parties or Associates were allotted Placement Shares. No related parties of the Company or their Associates were allotted Placement Shares;
- (b) the number of Placement Shares for which Shareholder ratification is being sought under this Resolution is 29,423,055 Placement Shares issued under the Company's 15% Placement Capacity;
- (c) the Placement Shares are fully paid ordinary shares in the Company and, accordingly, rank *pari passu* with the Company's existing Shares on issue and are on the same terms as the other Shares on issue in the Company;
- (d) the Placement Shares were issued on 10 December 2021;
- (e) the Placement Shares were issued under the Placement at \$0.34 per Placement Share to raise approximately \$10 million (before costs). The funds were used to support growth in sales capability and resources, especially in the North American market, ensure availability of funds for TIKS deferred

consideration payment, further invest in development of Damstra's Enterprise Protection Platform and for the Company's general working capital purposes; and

- (f) a voting exclusion statement is included in this Notice.

8.4 Board Recommendation

The Board recommends that you vote in favour of this Resolution. Each Director currently intends to vote their respective shareholdings in favour of this Resolution.

9. Damstra's Remuneration Strategy

9.1 Approach to 2023 KMP and Executive Remuneration

Following the 2021 Annual General Meeting, the Company consulted with shareholders and received feedback from proxy advisors and other stakeholders to understand their views and concerns with regards to the Company's remuneration arrangements. The Company took all feedback received seriously and reflected this in the Company's remuneration outcomes for FY22, and in the Executive remuneration structure for the FY23 financial year (**FY23**).

The fundamental change made to the framework is to incorporate a separate short-term incentive (**STI**) program and a long-term incentive (**LTI**) program, which incorporate:

- (a) changes in target and remuneration outcomes to more readily align remuneration outcomes of the STI program with short term outcomes, and the LTI program longer term outcomes; and
- (b) enhancing alignment to Company strategic objectives.

A detailed explanation of the terms of the STI and LTI are set out in the Company's annual report released to the market on 25 August 2022 and set out below.

9.2 Executive Remuneration – 2022 principles

Damstra aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- (a) base pay and non-monetary benefits;
- (b) variable remuneration (short-term and long-term performance incentives);
- (c) share-based payments; and
- (d) other remuneration such as superannuation and long service leave.

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the NRC based on individual and business unit performance, the overall performance of the Group and comparable market remunerations

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

In the 2022 financial year, the Employee Incentive Plan was consistent in design with the plan used in the prior financial year in FY21, with the purpose of incentivising staff against Company and individual targets. Remuneration for certain individuals is directly linked to the performance of the Group ('STI' or 'variable remuneration'). A portion of a cash bonus and incentive payments are dependent on defined service conditions being met.

The objective of variable remuneration is to link the achievement of the Group's operational targets with the remuneration received by the employees charged with meeting those targets. The total potential variable remuneration is set at a level to provide sufficient incentive to employees to achieve the operational targets at a cost to the Group that is reasonable in the circumstances.

A summary of key remuneration outcomes for FY22, and those that relate to the FY23, are as follows:

- (a) the Executive Chairman, CEO, and CFO did not receive any EIP reward in relation to FY22, and no shares or options issued as part of remuneration compensation in relation to FY22;
- (b) no other senior executive received any EIP rewards in relation to FY22;
- (c) there will be no increase in the Executive Chairman, CEO's, and CFO's fixed remuneration for FY23;
- (d) there will be no increase to the Non-Executive Director fees in FY23;
- (e) effective 1 July 2022, the Non-Executive Directors' agreed to participate in a salary sacrifice arrangement whereby they would sacrifice 20% of their Board fees, excluding Committee fees, in return for zero price options in the Company (the subject of Resolution 11);

- (f) effective 1 July 2022, the Executive Chairman and CEO agreed to participate in a salary sacrifice arrangement whereby they would sacrifice 5% of their salary in return for zero price options in the Company (the subject of Resolution 12); and
- (g) there were no shares or options issued to Directors and other executives as part of compensation during the year ended 30 June 2022.

9.3 Approach to 2023 KMP and Executive Remuneration

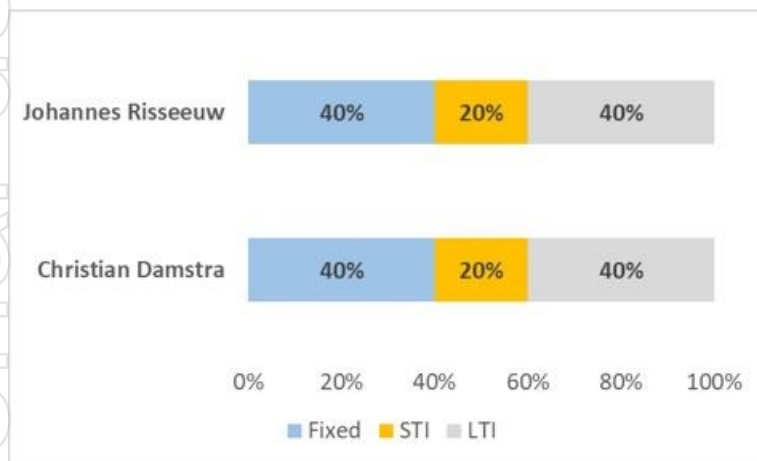
The Group has made changes to the executive remuneration frameworks for FY23.

The fundamental change made to the EIP is to incorporate a separate STI program and a LTI program, which incorporate:

- (a) Changes in target and remuneration outcomes to more readily align remuneration outcomes of the STI program with short term outcomes, and the LTI program longer term outcomes;
- (b) Enhancing alignment to Group strategic objectives, including free cash generation now being a key objective included in the STI program.

Executive remuneration is heavily weighted towards performance-based pay, including both cash and equity-based awards.

The Executive Chairman and Chief Executive Officer's remuneration mix (percentage of total remuneration, excluding superannuation) including fixed and on-target STI and LTI opportunities are as follows:



Threshold and stretch opportunities will also form part of the STI and LTI plans as described below.

The broader staff population are also able to participate in both the STI and LTI programs at various levels of base salary depending on the staff member. All awards are subject to continued service with the Company under the employee incentive plan rules.

9.4 STI Program

The STI program is designed to align the targets of the business with the performance hurdles of KMP and executives.

Key principles of the plan are as follows:

- (a) Financial measures account for 60% of the STI with free cash flow generation accounting for 25% and revenue being 35% to ensure executives are focused on sustainable growth;
- (b) Non-financial measures form 40% of the STI scorecard with a strong focus on clients and staff outcomes which drives sustainable business outcomes;
- (c) There is 50% deferral of any STI outcome into equity to align with the market expectations and provide shareholder alignment; and
- (d) At the threshold level of performance there is only a 50% payout and as such the STI program does not over-reward for below target performance.

STI outcomes are available to KMP executives based on achieving specific annual targets and key performance indicators ('KPI's'). On achievement of KPI's by executives, the STI is settled 50% in cash and 50% deferred and settled the grant of zero priced options which vest one year following the grant date, subject to continued employment.

On target performance will result in 100% of the STI opportunity being paid. Threshold performance will be based on achieving 90% of the target level of performance (depending on the KPI), at which point 50% of the target opportunity will be paid. Stretch performance is achieved based on achieving 125% of the target level of performance (depending on the KPI), at which point 125% of the target opportunity will be paid.

Should the FY23 STI program targets be met, the cash component would be payable, and the options granted, following the completion of the FY23 financial results, expected to be in August 2023. The options would vest one year later, expected to be in August 2024.

The KPI's and relative weightings included in for the FY23 STI program, are as follows:

Performance Measure	Weighting	Rationale for why the performance measure was chosen
<u>Alignment with shareholders</u>		
Revenue	35%	<ul style="list-style-type: none"> * Key measure of financial performance * Ensures continued focus on growth * Aligns with other performance measures such as cash generation and customer satisfaction
Free cash generation	25%	<ul style="list-style-type: none"> * Key indicator of financial performance * Reduces reliance on other external forms of finance (equity / debt) * Aligns with the revenue performance measure to ensure a focus on cash collection to complete the Order to Cash cycle
<u>Alignment with customers</u>		
Customer satisfaction - Client surveys / NPS	10%	<ul style="list-style-type: none"> * Key measure of customer satisfaction * Ensures continued focus on customer retention and opportunities to cross sell * Aligns with the Revenue growth and cash generation objectives
<u>Alignment with employees</u>		
Employee engagement / NPS	10%	<ul style="list-style-type: none"> * Key measure of employee satisfaction * Ensures continued focus on employee engagement, and promotes the ability to attract and retain staff * Aligns with all other performance measures
<u>Individual objectives</u>	20%	<ul style="list-style-type: none"> * Ensures continued focus on individual goals aligns to the achievement of Company goals * Rewards individual performance * Provide clear direction to employees on how they can individually contribute to Company success

All awards are subject to continued service with the Company under the employee incentive plan rules.

9.5 LTI Program

The LTI program is designed to align the longer-term targets of the business with the performance hurdles of executives.

LTI outcomes are available to executives based on achieving a three-year compound annual growth rate ('CAGR') on prior year revenue. For the FY23 LTI program, the outcome will be calculated with reference to the compound annual growth rate in the Company's revenue during the period 1 July 2022 to 30 June 2025 (Revenue CAGR).

On target performance will result in 100% of the at target LTI opportunity being paid/ vesting (or 80% of the maximum LTI opportunity being paid/vesting). Threshold performance will be based on achieving 80% of the target level of performance, at which point 20% of the at target LTI opportunity will be paid/ vest (or 16% of the maximum LTI opportunity being paid/vesting). Stretch performance is achieved based on achieving 125% of the target level of performance, at which point 125% of the at target LTI opportunity will be paid/ vest (or 100% of the maximum LTI opportunity being paid/vesting). In addition to the CAGR target, the LTI is only paid to KMPs if the 5-day VWAP after the release of the FY25 Annual Report exceeds 34 cents.

While other measures were considered by the Nomination and Remuneration Committee, the Committee determined that due to the current stage of the Group's development, revenue was considered as the key metric and most appropriate indicator of both short and long term performance.

The three-year LTI performance period aligns with the market expectations and the Group's longer term outlook, and therefore, under this program, there is therefore no annual testing.

All awards are subject to continued service with the Company under the EIP Rules.

10. Resolution 9 to Resolution 10 – Approval of Director Participation in Equity Incentive Plan and Issue of FY23 LTI Options to Executive Directors

10.1 Background

In respect of FY23, and subject to obtaining the relevant Shareholder approvals, it is proposed that the following zero-priced Options (**FY23 LTI Options**) are awarded to the Executive Directors of the Company under the LTI program, calculated on the basis of the VWAP over the 5 days on which trades in Shares occurred from and including 1 July 2022:

Executive Director	% of annual base salary	5-day VWAP	No. of LTI Securities	FY23 LTI Securities	Exercise Price	Expiry Date
Christian Damstra	62.5% at stretch, being \$256,250	\$0.164	1,562,500	Options	Nil	15 years from the date of issue
Johannes Risseeuw	62.5% at stretch, being \$256,250	\$0.164	1,562,500	Options	Nil	15 years from the date of issue

(a) Vesting

- (i) A proportion of the FY23 LTI Options will vest following the 5th day on which trades in Shares occur immediately following release of the FY25 Annual Report (**Vesting Date**)² provided that:
 - (A) the relevant Executive Director remains employed or engaged by a member of the Company group and no notice of termination or resignation has been given at the date on which the FY25 Annual Report is announced (expected to be in or around August 2025); and
 - (B) the VWAP over the 5 days on which trades in Shares occurs following release of the FY25 Annual Report is greater than \$0.34.
- (ii) The proportion of FY23 LTI Options that will vest on the Vesting Date will be calculated with reference to the compound annual growth rate in the Company's revenue during the period 1 July 2022 to 30 June 2025 (**Revenue CAGR**). Accordingly, the number of FY23 LTI Options that will vest on the Vesting Date are set out in the following table:

Performance Level	Revenue CAGR	% of LTI Securities to vest
Stretch	25%	100%
Between Target and Stretch		Pro-rata straight line basis
Target	20%	80%
Between Threshold and Target		Pro-rata straight line basis
Threshold	16%	20%
Below Threshold		0%

For the purposes of the Revenue CAGR calculation:

- (A) revenue will be measured without inclusion of any revenue from mergers or acquisitions subsequent to 1 July 2022;
- (B) 'starting revenue' will be \$29.3m, being the Company's Revenue for FY22 (\$29.0m as set out in the audited consolidated accounts for FY22 plus Damstra's percentage share of JV revenue of \$0.3m); and

² The Company notes that page 15 of the Annual Report dated 25 August 2022 erroneously stated "On achievement of the CAGR, it is intended that the LTI is settled in full by the grant of zero priced options. The options will vest one year following the grant date, subject to continued employment. As such, should the FY23 LTI program CAGR target be met, the options would be granted following the completion of the FY25 financial results, expected to be in August 2025, and would vest one year later, expected to be in August 2026. The board reserves the right to settle part of the LTI award in cash" and the LTI Program Timeline shown on the same page reflected this vesting structure. These representations are incorrect. The FY23 LTI Options will vest in accordance with the terms set out in 10.1 of the Explanatory Memorandum.

- (C) 'end revenue' will be the Company's Revenue for FY25 as determined by the Board, having regard to the audited annual consolidated accounts for FY25 and including Damstra's percentage share of JV revenue.
- (iii) If the relevant Executive Director becomes a Leaver prior to the date of announcement of the Company's FY25 annual audited consolidated results, the FY23 LTI Performance Rights will not vest and will be forfeited.

10.2 Summary of Chapter 2E of the Corporations Act

Under section 208 of the Corporations Act, for a public company to give a financial benefit to a related party (such as a Director of the Company), the public company or entity must obtain the approval of the company's members unless the giving of the financial benefit falls within an exception set out in sections 210 and 216 of the Corporations Act.

Section 229 of the Corporations Act defines "financial benefit" broadly and includes, as an example of a "financial benefit", the issuing of securities or the granting of an option to a related party. Accordingly, the proposed issue of FY23 LTI Options to Christian Damstra and Johannes Risseeuw under Resolution 9 and Resolution 10 constitutes the provision of a financial benefit to a related party.

In respect of each Resolution, the disinterested Directors consider that the proposed issue of the FY23 LTI Options under each respective Resolution constitutes reasonable remuneration to the respective Director and, as such, falls within the exception set out in section 211 of the Corporations Act. In reaching this view, the disinterested Directors considered:

- (a) the position and responsibilities of each of Mr Damstra and Mr Risseeuw;
- (b) the Company's reliance on each Executive Director;
- (c) the time commitment and workload required of each Executive Director to drive the Company's strategies and objectives;
- (d) the considerable contribution that each of Mr Damstra and Mr Risseeuw, respectively, have made and continue to make to the growth of the Company's business;
- (e) the need for the Company to effectively incentivise the Company's Executive Directors while aligning the incentive with increasing shareholder value;
- (f) the desirability of preserving cash resources within the Company;
- (g) the composition and value of the remuneration packages of executive directors of other ASX-listed companies of similar size and circumstances to that of the Company; and
- (h) the terms of the FY23 LTI Options in light of the Company's business objectives and the current Share price.

The Board believes that the FY23 LTI Options are an effective remuneration and incentive tool which preserves the cash reserves of the Company whilst providing valuable remuneration and incentive to Mr Damstra and Mr Risseeuw.

Accordingly, Shareholders are being asked to approve the issue of the Options in accordance with ASX Listing Rule 10.14 only.

10.3 Summary of ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires Shareholder approval to be obtained in respect of an issue of equity securities (which includes Options) under an employee incentive plan to a Director of the Company. If approval is given under ASX Listing Rule 10.14, approval is not required under ASX Listing Rules 7.1 or 10.11.

If Resolution 9 or 10 is approved, the relevant grant of FY23 LTI Options to Mr Damstra and Mr Risseeuw will not be included in calculating the Company's 15% Placement Capacity.

If Shareholders do not approve Resolution 9 or 10, the relevant grant of FY23 LTI Options will not proceed. In that circumstance, issues may arise with the competitiveness of Mr Damstra's or Mr Risseeuw's (as relevant) total remuneration package and alignment of rewards with other senior executives in the Company. The Board would then need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles, including providing equivalent cash incentives.

10.4 Technical information required by ASX Listing Rule 10.15

For the purposes of ASX Listing Rule 10.15, the following information is provided:

- (a) Securities to be issued

The securities proposed to be issued are as follows:

- (i) 1,562,500 FY23 LTI Options to Johannes Risseeuw, being an Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Risseeuw (for the purposes of ASX Listing Rule 10.14.2) being the subject of Resolution 9; and
- (ii) 1,562,500 FY23 LTI Options to Christian Damstra, being an Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Damstra (for the purposes of ASX Listing Rule 10.14.2) being the subject of Resolution 10.

(b) Current Remuneration Package

The total remuneration package of each Director is set out in section 11.1 of this Explanatory Memorandum.

(c) Previous grants under the EIP

Mr Damstra (or his nominee) has previously been issued the following securities under the EIP, each granted for nil (\$0) grant price:

- (i) 982,142 Options issued under the EIP exercisable at \$1.5175 per Option and expiring on 16 October 2034, subject to vesting conditions;
- (ii) 200,000 Options issued under the EIP exercisable at \$0.00 per Option and expiring on 16 October 2034, subject to vesting conditions. All of these Options have since vested and been exercised into Shares;
- (iii) 130,193 Options issued under the EIP exercisable at \$0.00 per Option and expiring on 30 September 2035, subject to vesting conditions. 65,096 of these Options have vested and been exercised into Shares;
- (iv) 395,068 Options issued under the EIP exercisable at \$3.2375 per Option and expiring on 30 September 2026, subject to vesting conditions;
- (v) 491,073 Options issued under the EIP exercisable at \$3.2375 per Option and expiring on 30 September 2026, subject to vesting conditions;
- (vi) 48,612 Options issued under the EIP exercisable at \$0.00 per option and expiring on 1 September 2036, subject to vesting conditions; and
- (vii) 148,441 unlisted options issued under the EIP exercisable at \$1.6975 per option and expiring on 1 September 2027, subject to vesting conditions.

Mr Risseeuw (or his nominee) has previously been issued the following securities under the EIP, each granted for nil (\$0) grant price:

- (i) 982,142 Options issued under the EIP exercisable at \$1.5175 per Option and expiring on 16 October 2034, subject to vesting conditions;
- (ii) 200,000 Options issued under the EIP exercisable at \$0.00 per Option and expiring on 16 October 2034, subject to vesting conditions. All of these Options have since vested and been exercised into Shares;
- (iii) 130,193 Options issued under the EIP exercisable at \$0.00 per Option and expiring on 30 September 2035, subject to vesting conditions. 65,096 of these Options have vested and been exercised into Shares;
- (iv) 395,068 Options issued under the EIP exercisable at \$3.2375 per Option and expiring on 30 September 2026, subject to vesting conditions;
- (v) 491,073 Options issued under the EIP exercisable at \$3.2375 per Option and expiring on 30 September 2026, subject to vesting conditions; and
- (vi) 62,023 Options issued under the EIP exercisable at \$0.00 per option and expiring on 1 September 2036, subject to vesting conditions. 15,506 of these Options have vested and been exercised into Shares; and
- (vii) 189,390 unlisted options issued under the EIP exercisable at \$1.6975 per option and expiring on 1 September 2027, subject to vesting conditions.

(d) Summary of Option terms

The proposed issue of the FY23 LTI Options pursuant to Resolution 9 to Resolution 10 are seen as a cost effective way of providing Mr Damstra and Mr Risseeuw tangible incentives to enhance the performance of the Company and to seek to further align Mr Damstra's and Mr Risseeuw's interests with those of Shareholders by linking their remuneration with the short and long term performance of the Company.

The Company attributes the following value to each FY23 LTI Option:

- (i) \$0.164 per FY23 LTI Option, valued in accordance with Black-Scholes.

The material terms of the FY23 LTI Options (the subject of Resolution 9 and Resolution 10) are as follows:

- (i) nil (\$0) exercise price per FY23 LTI Options;

- (ii) the FY23 LTI Options will be issued for nil consideration. Accordingly, no loan will be provided in respect of the issue or exercise of the FY23 LTI Options;
- (iii) the FY23 LTI Options will not entitle the relevant Executive Director to vote at a meeting of the shareholders of the Company nor receive any dividends declared by the Company;
- (iv) the FY23 LTI Options will expire at 5:00pm (Melbourne time) on the 15th anniversary from the date of issue;
- (v) if the relevant Executive Director holds vested FY23 LTI Options and becomes a Leaver in accordance with the EIP Rules, the expiry date in respect of those vested FY23 LTI Options will be 5:00pm (Melbourne time) on the thirtieth (30) day after becoming a Leaver, unless otherwise determined by the Board;
- (vi) each FY23 LTI Option is exercisable into one Share. The Board may determine if each FY23 LTI Option is settled by way of the issue of a Share or cash settled. If cash settled, the relevant Executive Director will receive a cash payment equal to the VWAP of the Shares for the 5 trading days prior to the day on which the options are validly exercised multiplied by the requisite number of resulting Shares;
- (vii) other material terms of the FY23 LTI Options, including the vesting conditions, are set out in section 10.1 of the Explanatory Memorandum; and
- (viii) as the FY23 LTI Options are to be issued under the EIP, the terms of the EIP will also apply. A summary of the EIP Rules is set out in Annexure B to this Notice.

(e) Timing of issue

The FY23 LTI Options will be issued as soon as reasonably practicable following the Meeting and, in any event, by no later than 3 years after the date of the Meeting.

(f) EIP terms

A summary of the EIP Rules is set out at Annexure B. A full copy of the EIP Rules is available on the ASX platform or from the Company by contacting the Company Secretary on +61 3 9614 2444 or at damstra@cdplus.com.au.

(g) Annual Reporting

Details of any securities issued under the EIP will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the EIP after Resolution 9 to Resolution 10 are approved and who were not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14.

(h) Voting exclusion statement

A voting exclusion statement is included in the Notice for the purpose of Resolution 9 to Resolution 10.

10.5 Board Recommendation

The Board (other than Johannes Risseeuw) recommends that you vote in favour of Resolution 9. Mr Risseeuw has abstained from making a recommendation to Shareholders in respect of these Resolutions due to his material personal interest in the outcome of it.

The Board (other than Christian Damstra) recommends that you vote in favour of Resolution 10. Mr Damstra has abstained from making a recommendation to Shareholders in respect of these Resolutions due to his material personal interest in the outcome of it.

11. Resolution 11 to Resolution 12 – Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs to Executive and Non-Executive Directors

11.1 Background

As set out in the Company's Annual Report released to the market on 25 August 2022, effective from 1 July 2022, the Non-Executive Directors' agreed to participate in a salary sacrifice arrangement whereby they would sacrifice 20% of their FY23 Board fees, excluding Committee fees, in return for Options with a zero exercise price (**ZPOs**) in the Company, subject to obtaining Shareholder approval. The Board believes that the salary sacrifice arrangements are an effective remuneration and incentive tool which preserves the cash reserves of the Company whilst providing valuable remuneration and incentive to each respective Director and seeks to further aligns the Director's interest with those of Shareholders.

Accordingly, the Company proposes to remunerate each of its Non-Executive Directors for FY23 as follows:

- (a) Annual Non-Executive Director cash fee: AUD\$60,000³ (exclusive of superannuation);
- (b) if applicable, Annual Committee Chair cash fee: AUD\$10,000 (exclusive of superannuation);
- (c) if applicable, Annual Committee Member cash fee: AUD\$5,000 (exclusive of superannuation);
- (d) subject to obtaining the relevant Shareholder approvals, for the period 1 July 2022 to 30 September 2022 (**Tranche 1 ZPOs**), 25,267 ZPOs with an expiry date 15 years from the date of issue;
- (e) subject to obtaining the relevant Shareholder approvals, for the period 1 October 2022 to 31 December 2022 (**Tranche 2 ZPOs**), 29,600 ZPOs with an expiry date 15 years from the date of issue;
- (f) subject to obtaining the relevant Shareholder approvals, for the period 1 January 2023 to 31 March 2023 (**Tranche 3 ZPOs**), AUD\$4,144 worth of ZPOs; and
- (g) subject to obtaining the relevant Shareholder approvals, for the period 1 April 2023 to 30 June 2023 (**Tranche 4 ZPOs**), AUD\$4,144 worth of ZPOs.

Also effective 1 July 2022, the Executive Directors' agreed to participate in a salary sacrifice arrangement whereby they would sacrifice 5% of their FY23 salary in return for ZPOs in the Company, subject to obtaining Shareholder approval.

Accordingly, the Company therefore proposes to remunerate each of its Executive Directors for FY23 as follows:

- (a) AU\$430,397.50 salary (inclusive of superannuation);
- (b) subject to obtaining the relevant Shareholder approvals, up to 1,562,500 FY23 LTI Securities;
- (c) a cash payment of up to \$256,250 as a long term incentive as set out in section 10.1;
- (d) STI of up to \$256,250;
- (e) subject to obtaining the relevant Shareholder approvals, 34,531 Tranche 1 ZPOs;
- (f) subject to obtaining the relevant Shareholder approvals, 40,450 Tranche 2 ZPOs;
- (g) subject to obtaining the relevant Shareholder approvals, AUD\$5,663 worth of Tranche 3 ZPOs; and
- (h) subject to obtaining the relevant Shareholder approvals, AUD\$5,663 worth of Tranche 4 ZPOs.

The Tranche 1 ZPOs, Tranche 2 ZPOs, Tranche 3 ZPOs and Tranche 4 ZPOs are collectively referred to as the **Salary Sacrifice Options**.

11.2 Summary of Chapter 2E of the Corporations Act

Please refer to section 10.2 of the Explanatory Memorandum for a summary of Chapter 2E of the Corporations Act.

In respect of each of Resolutions 11 and 12, the relevant disinterested Directors consider that the proposed issue of the Salary Sacrifice Options under each Resolution constitutes reasonable remuneration to the respective Directors and, as such, falls within the exception set out in section 211 of the Corporations Act. In reaching this view, the disinterested Directors considered:

- (a) the position and responsibilities of each Director;
- (b) the Company's reliance on each Director;
- (c) the time commitment and workload required of each Director to drive the Company's strategies and objectives;
- (d) the considerable contribution that each Director has made and continues to make to the growth of the Company's business;
- (e) the need for the Company to effectively incentivise the Company's Directors (as appropriate, having regard to best corporate governance practices) while aligning the incentive with increasing Shareholder value;
- (f) the desirability of preserving cash resources within the Company;
- (g) the composition and value of the remuneration packages of Directors of other ASX-listed companies of similar size and circumstances to that of the Company; and
- (h) the terms of the Salary Sacrifice Options in light of the Company's business objectives and the current Share price.

Accordingly, Shareholders are being asked to approve the issue of the Salary Sacrifice Options under Resolutions 11 and 12 in accordance with ASX Listing Rule 10.14 only.

11.3 Summary of ASX Listing Rule 10.14

Please refer to section 10.3 of the Explanatory Memorandum for a summary of ASX Listing Rule 10.14.

³ Simon Yencken is a U.S. resident Non-Executive Director and receives a grossed up Annual Non-Executive Director cash fee of AUD\$66,300.

If either of Resolution 11 or 12 is approved, the grant of the Salary Sacrifice Options to the relevant Directors will not be included in calculating the Company's 15% Placement Capacity.

If Shareholders do not approve either of Resolution 11 or 12, the proposed grants which are the subject of that unapproved Resolution will not proceed. In that circumstance, issues may arise with the competitiveness of the relevant Directors' total remuneration packages and alignment of rewards with other Executive Directors and Non-Executive Directors in the Company. The Board would then need to consider alternative remuneration arrangements which are consistent with the Company's remuneration principles, including providing equivalent cash incentives.

11.4 Technical information required by ASX Listing Rule 10.15

For the purposes of ASX Listing Rule 10.15, the following information is provided:

(a) Securities to be issued

The securities proposed to be issued are as follows:

- (i) for the purposes of Resolution 11, to each Non-Executive Director, being:
- (A) Drew Fairchild, a Non-Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Fairchild (for the purposes of ASX Listing Rule 10.14.2);
 - (B) Morgan Hurwitz, a Non-Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Hurwitz (for the purposes of ASX Listing Rule 10.14.2);
 - (C) Simon Yencken, a Non-Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Yencken (for the purposes of ASX Listing Rule 10.14.2); and
 - (D) Sara La Mela, a Non-Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or her nominee, which would be an Associate of Mrs La Mela (for the purposes of ASX Listing Rule 10.14.2):

Salary Sacrifice Options	Number of Options / Formula to determine the number of Options to be issued
Tranche 1 ZPOs	25,267, being the amount equal to AUD\$4,144 divided by the 5-day VWAP starting from 1 July 2022.
Tranche 2 ZPOs	29,600, being the amount equal to AUD\$4,144 divided by the 5-day VWAP starting from 1 October 2022.
Tranche 3 ZPOs	The number of Tranche 3 ZPOs shall be amount equal to AUD\$4,144 divided by the 5-day VWAP starting from 1 January 2023.
Tranche 4 ZPOs	The number of Tranche 4 ZPOs shall be amount equal to AUD\$4,144 divided by the 5-day VWAP starting from 1 April 2023.

- (ii) for the purposes of Resolution 12, to each Executive Director, being:
- (A) Johannes Risseeuw, an Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Risseeuw (for the purposes of ASX Listing Rule 10.14.2); and
 - (B) Christian Damstra, an Executive Director of the Company (for the purposes of ASX Listing Rule 10.14.1), or his nominee, which would be an Associate of Mr Damstra (for the purposes of ASX Listing Rule 10.14.2):

Salary Sacrifice Options	Number of Options / Formula to determine the number of Options to be issued
Tranche 1 ZPOs	34,531, being the amount equal to AUD\$5,663 divided by the 5-day VWAP starting from 1 July 2022.
Tranche 2 ZPOs	40,450, being the amount equal to AUD\$5,663 divided by the 5-day VWAP starting from 1 October 2022.

Tranche 3 ZPOs	The number of Tranche 3 ZPOs shall be amount equal to AUD\$5,663 divided by the 5-day VWAP starting from 1 January 2023.
Tranche 4 ZPOs	The number of Tranche 4 ZPOs shall be amount equal to AUD\$5,663 divided by the 5-day VWAP starting from 1 April 2023.

(b) Current Remuneration Package

The total remuneration package of each Director is set out in section 11.1 of this Explanatory Memorandum.

(c) Previous grants under the EIP

Mr Fairchild (or his nominee) has previously been issued the following securities under the EIP, each granted for nil (\$0) grant price:

- (i) 133,333 Options issued under the EIP exercisable at \$0.00 per option and expiring on 16 October 2034, subject to vesting conditions.

Mr Hurwitz (or his nominee) has previously been issued the following securities under the EIP, each granted for nil (\$0) grant price:

- (i) 133,333 Options issued under the EIP exercisable at \$0.00 per option and expiring on 16 October 2034, subject to vesting conditions. All of these Options have since vested and been exercised into Shares.

Mr Yencken (or his nominee) has previously been issued the following securities under the EIP, each granted for nil (\$0) grant price:

- (i) 133,333 Options issued under the EIP exercisable at \$0.00 per option and expiring on 16 October 2034, subject to vesting conditions. All of these Options have since vested and been exercised into Shares.

Mrs Sara La Mela has not previously been issued any securities under the EIP.

The prior issues of securities for each of Mr Risseeuw and Mr Damstra (or nominee) is set out in section 10.4(c) of this Explanatory Memorandum.

(d) Summary of Option terms

The proposed issue of the Salary Sacrifice Options pursuant to Resolution 11 and 12 are seen as a cost-effective way of providing all Executive Directors and Non-Executive Directors with deferred variable remuneration in the form of zero-priced options as part of a salary sacrifice arrangement.

The Company attributes the following value to each Salary Sacrifice Option:

- (i) \$0.164 per Tranche 1 ZPO, valued in accordance with Black-Scholes Option Pricing Model⁴; and
- (ii) \$0.140 per Tranche 2 ZPO, valued in accordance with Black-Scholes Option Pricing Model⁵.

By way of worked examples, based on the based on an Option Valuation of AUD\$0.140 using the following inputs into the Black Scholes Option Pricing Model as at 13 October 2022, the following Tranche 3 ZPO and Tranche 4 ZPO would be issued to the Non-executive Directors:

- (i) Share price of \$0.14;
- (ii) exercise price of \$0.00;
- (iii) expected term of 15 years;
- (iv) volatility rate of 70%;
- (v) dividend yield of 0%; and

⁴ The Black-Scholes option valuation assumed the following inputs:

- Share price: \$0.164, the VWAP over the 5 days on which trades in Shares occurred from 1 July 2022;
- Exercise price: \$0.00
- Risk free interest rate: 1.35% (as at 6 July 2022)
- Period to expected exercise of option in years: 15
- Expected future volatility: 70%
- Dividend yield: 0%

⁵ The Black-Scholes option valuation assumed the following inputs:

- Share price: \$0.140, the VWAP over the 5 days on which trades in Shares occurred from 1 October 2022;
- Exercise price: \$0.00
- Risk free interest rate: 2.60% (as at 13 October 2022)
- Period to expected exercise of option in years: 15
- Expected future volatility: 70%
- Dividend yield: 0%

(vi) risk-free interest rate of 2.60%.

Non-executive Director	Total value of Options	Option Valuation		
		\$0.07	\$0.140	\$0.28
		50% decrease in Option Valuation	Option Valuation	100% increase in Option Valuation
Christian Damstra	AUD\$5,663	80,900 Options	40,450 Options	20,225 Options
Johannes Risseuw	AUD\$5,663	80,900 Options	40,450 Options	20,225 Options
Drew Fairchild	AUD\$4,144	59,200 Options	29,600 Options	14,800 Options
Morgan Hurwitz	AUD\$4,144	59,200 Options	29,600 Options	14,800 Options
Simon Yencken	AUD\$4,144	59,200 Options	29,600 Options	14,800 Options
Sara La Mela	AUD\$4,144	59,200 Options	29,600 Options	14,800 Options

The material terms of the Salary Sacrifice Options (the subject of Resolution 11 and 12) are as follows:

- (i) nil (\$0) exercise price per Salary Sacrifice Option;
- (ii) the Salary Sacrifice Options will be issued for nil consideration. Accordingly, no loan will be provided in respect of the issue or exercise of the Salary Sacrifice Options;
- (iii) the Salary Sacrifice Options will expire on of the 15th anniversary of the issue date;
- (iv) each Salary Sacrifice Options is exercisable into one Share;
- (v) subject to the relevant Director remaining continuously employed and no notice of resignation or termination has been given as at the relevant vesting date, the Salary Sacrifice Options will vest as follows:
 - (A) Tranche 1 ZPOs will be fully vested on issue;
 - (B) Tranche 2 ZPOs will vest at 5pm (Melbourne time) on 31 December 2022;
 - (C) Tranche 3 ZPOs will vest at 5pm (Melbourne time) on 31 March 2023; and
 - (D) Tranche 4 ZPOs will vest at 5pm (Melbourne time) on 30 June 2023.

If employment or engagement as a Director ceases on or prior to 30 June 2023 and the relevant Director is considered a Good Leaver, unless the Board determines otherwise, the relevant Director's Salary Sacrifice Options relating to the quarter in which the employment or engagement as a Director ceased shall vest pro rata to the proportion of the relevant quarter during which the Director was engaged or employed;

- (vi) if the Director becomes a Good Leaver, unless the Board determines otherwise, all vested Salary Sacrifice Options
- (vii) if the Director becomes a Bad Leaver, unless the Board determines otherwise, all of the relevant Director's vested and unvested Salary Sacrifice Options will be forfeited in accordance with the EIP Rules; and
- (viii) as the Salary Sacrifice Option are to be issued under the EIP, the terms of the EIP will also apply to the Salary Sacrifice Option.

(e) Timing of issue

The Tranche 1 ZPOs and Tranche 2 ZPOs will be issued as soon as reasonably practicable following the Meeting and, in any event, by no later than 3 years after the date of the Meeting. The Tranche 3 ZPOs and Tranche 4 ZPOs will be issued as soon as reasonably practicable following the determination of the amount of Tranche 3 ZPOs and Tranche 4 ZPOs to be issued and, in any event, by no later than 3 years after the date of the Meeting.

(f) EIP terms

A summary of the EIP Rules is set out at Annexure B. A full copy of the EIP Rules is available on the ASX platform or from the Company by contacting the Company Secretary on +61 3 9614 2444 or at damstra@cdplus.com.au.

(g) Annual Reporting

Details of any securities issued under the EIP will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the EIP after Resolution 11 and 12 are approved and who were not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14.

(h) Voting exclusion statement

A voting exclusion statement is included in the Notice for the purpose of Resolution 11 and 12.

11.5 Board Recommendation

The Board (other than the Non-Executive Directors) recommends that you vote in favour of Resolution 11. The Non-Executive Directors have abstained from making a recommendation to Shareholders in respect of this Resolution due to their material personal interest in the outcome of it.

The Board (other than the Executive Directors) recommends that you vote in favour of Resolution 12. The Executive Directors have abstained from making a recommendation to Shareholders in respect of this Resolution due to their material personal interest in the outcome of it.

Glossary

\$ means Australian dollars.

10% Placement Capacity has the meaning ascribed to it in section 5.1 of the Explanatory Memorandum.

15% Placement Capacity has the meaning ascribed to it in section 7.3 of the Explanatory Memorandum.

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria, Australia.

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

Annual Report means the annual financial report of the Company for the year ended 30 June 2022.

Associate has the meaning given to it in ASX Listing Rule 19.12.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Auditor's Report means the auditor's report contained in the Annual Report.

Bad Leaver has the meaning ascribed to it clause 1.1 of the EIP Rules.

Board means the current board of Directors.

Chair means the chairperson of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

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

Company or **Damstra** means Damstra Holdings Limited ACN 610 571 607.

Constitution means the Company's constitution.

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

Closing Price has the meaning ascribed to it in section 5.4.4 of the Explanatory Memorandum.

Directors means the current directors of the Company.

Directors' Report means the directors' report contained in the Annual Report.

EIP means the Company's Equity Incentive Plan.

EIP Rules means the rules governing the EIP.

Eligible Entity has the meaning ascribed to it in section 5.2 of the Explanatory Memorandum.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

FY23 means the financial year ending 30 June 2023.

FY23 LTI Options has the meaning ascribed to it in section 10.1 of the Explanatory Memorandum.

Good Leaver has the meaning ascribed to it clause 1.1 of the EIP Rules.

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

Lead Manager has the meaning ascribed to it in section 8.3(a) of the Explanatory Memorandum.

Leaver has the meaning ascribed to it clause 1.1 of the EIP Rules.

LTI has the meaning ascribed to it in section 9.1 of the Explanatory Memorandum.

Notice or **Notice of Annual General Meeting** means this notice of Annual General Meeting, including the Explanatory Memorandum and the Voting Form.

Options means options exercisable into Shares in the Company.

PwC means PricewaterhouseCoopers ABN 52 780 433 757.

Related Party has the meaning given to it in ASX Listing Rule 19.12.

Remuneration Report means the remuneration report set out in the Directors' Report contained in the Company's Annual Report.

Resolution means a resolution set out in the Notice.

Restricted KMP Voter is one of the following persons who or on whose behalf a vote on a Resolution must not be cast (in any capacity):

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

Resulting Shares has the meaning ascribed to it clause 1.1 of the EIP Rules.

Revenue CAGR has the meaning ascribed to it in section 10.1(ii) of the Explanatory Memorandum.

Salary Sacrifice Options has the meaning ascribed to it in section 11.1 of the Explanatory Memorandum.

Security Interest has the meaning ascribed to it clause 1.1 of the EIP Rules.

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

Share Registry means the share registry of the Company, being Computershare Investor Services Pty Ltd.

Shareholder means a holder of a Share.

Special Resolution means that at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative) must be in favour of a Resolution for it to be passed.

Spill Meeting has the meaning ascribed to it in section 2.2 of the Explanatory Memorandum.

Spill Resolution has the meaning ascribed to it in section 2.2 of the Explanatory Memorandum.

STI has the meaning ascribed to it in section 9.1 of the Explanatory Memorandum.

Tranche 1 ZPOs has the meaning ascribed to it in section 11.1(d) of the Explanatory Memorandum.

Tranche 2 ZPOs has the meaning ascribed to it in section 11.1(e) of the Explanatory Memorandum.

Tranche 3 ZPOs has the meaning ascribed to it in section 11.1(f) of the Explanatory Memorandum.

Tranche 4 ZPOs has the meaning ascribed to it in section 11.1(g) of the Explanatory Memorandum.

Voting Form means the proxy form accompanying the Notice.

VWAP means volume weighted average price.

William Buck means William Buck Audit (Vic) Pty Ltd ABN 59 116 151 136.

ZPOs has the meaning ascribed to it in section 11.1 of the Explanatory Memorandum.

Annexure A – Auditor Nomination

28 October 2022

The Directors
Damstra Holdings Limited ACN 610 571 607
Suite 3, Level 3
299 Toorak Road
South Yarra VIC 3142

Dear Directors

Nomination of Company Auditor

Pursuant to section 328B(1) of the Corporations Act 2001 (Cth), I, Christian William Damstra, being a member of Damstra Holdings Limited ACN 610 571 607 (**Company**):

- a) hereby nominate William Buck Audit (Vic) Pty Ltd ABN 59 116 151 136 of Level 20, 181 William Street, Melbourne VIC 3000 for appointment as auditor of the Company at the next annual general meeting of the Company to be held on or about 30 November 2022; and
- b) propose that the Directors of the Company be authorised to agree their remuneration.

Please distribute copies of this notice in accordance with section 328B(3) of the Corporations Act 2001 (Cth).

Yours sincerely



Christian William Damstra

Annexure B – Summary of EIP Rules

Types of securities

The EIP provides flexibility for the Company to grant options or performance rights (each an '**Award**') or tax-exempt Shares to eligible participants.

- (a) An Award is an entitlement to receive a Share upon satisfaction of the applicable vesting and exercise conditions, the exercise of the Award and the payment of an exercise price (if applicable).
- (b) A tax-exempt Share is a Share granted under the EIP on specific terms that may allow the holder to acquire the Share on a tax-exempt basis in Australia.

Eligible Person

Awards and/or tax-exempt Shares may be granted under the EIP to eligible participants from time to time in the absolute discretion of the Board.

Eligible Participant means

- (a) a full-time, part-time or casual employee (including an executive director) of any Group Company;
- (b) a non-executive director of any Group Company;
- (c) a contractor or consultant of any Group Company; or
- (d) any other person, who has been determined or selected by the Board from time to time.

The holder may, subject to the terms of the EIP Rules, submit an application to nominate a holder of the Options (**Nominated Affiliate**). The Nominated Affiliate can be another person or entity.

Issue price

No payment is required for the grant of Awards and/or tax-exempt Shares unless the Board determines otherwise.

Terms and conditions

The Board has the absolute discretion to determine the terms and conditions (including in relation to vesting, exercise forfeiture, disposal and pricing) on which it will make offers under the EIP and it may set different terms and conditions for different participants in the EIP.

Voting and dividend rights

Awards will not carry any voting or dividends rights. Tax-exempt Shares will be Shares in the Company and will carry the same voting and dividend rights as other Shares.

Nature of Awards

Each Award constitutes a right to receive one (1) Share in the capital of the Company, subject to the terms and conditions of the EIP Rules.

Quotation

Awards will not be quoted on the ASX or any other recognised exchange however any resulting Shares issued to a participant under the EIP will be quoted on the ASX at, or promptly after, the date the holder receives those Shares in accordance with the ASX Listing Rules.

Vesting Conditions

The Options are subject to vesting conditions. If the vesting conditions are satisfied and/or otherwise waived by the Board then, in accordance with the EIP Rules, a vesting notice will be sent to the holder by the Company. Unless and until the vesting notice is issued by the Company, the Options will not be considered to have vested.

Exercise of Awards

Following the date of the issue of a confirmation notice in respect of an Award, the holder may exercise that Award by:

- (a) delivering an exercise notice to (or as directed by) the Company; and
- (b) paying the exercise price (if any) to (or as directed by) the Company, at any time that:
 - (i) is between the date of the issue (or deemed issue) of the confirmation notice and the relevant expiry date; and
 - (ii) the holder is permitted to exercise the Award under the Company's Securities Trading Policy.
- (c) If an Award is not exercised by its expiry date, that Award will automatically lapse and be forfeited.

Subject to applicable laws, Shares to be delivered to participants upon the exercise of vested Awards or upon the grant of tax-exempt Shares may be issued by the Company, acquired on or off market and transferred, and/or allocated within an employee share trust.

Settlement Mechanism

Upon exercise of an Award, the Board will determine whether the Award will be Equity Settled and/or Cash Settled (as defined in the EIP Rules).

If an Award is to be Equity Settled, the Company will arrange for the holder to receive the requisite number of Shares. The Company may do this by issuing, allocating and/or causing to be transferred to the holder the number of Shares to which the holder is entitled.

If an Award is to be Cash Settled, the holder will receive a cash payment equal to the VWAP on the ASX for the 5 trading days prior to the day on which the Award is validly exercised, or as otherwise determined by the Board (acting reasonably). An amount may be deducted by the Company from the cash payment on account of any applicable tax the Company is required to withhold or any superannuation amount the Company is required to pay in connection with the payment of the cash amount.

Lapse/forfeiture of Awards

The EIP contains provisions concerning the treatment of Awards and any Shares issued, allocated or transferred following the exercise of Awards, including without limitation in the event that:

- (a) a participant ceases employment or engagement with the Company or a subsidiary;
- (b) the vesting conditions or exercise conditions attaching to the relevant Awards are not satisfied or the Board forms the view they cannot be satisfied;
- (c) a participant acts fraudulently, dishonestly or wilfully breaches the obligations that they owe to the Company and its subsidiaries;
- (d) a participant becomes insolvent;
- (e) a participant materially breaches (without remedy) the obligations it owes the Company in respect of the EIP;
- (f) a participant's nominated affiliate has undergone a change of control without the prior written consent of the Board; and
- (g) the Awards are not exercised before the applicable expiry date.

Notwithstanding any other provision of the EIP, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under the EIP which is not permitted by Part 2D.2 Division 2 of the Corporations Act. Where applicable, the Company may seek or not seek shareholder approval in its discretion.

Disposal restrictions

The Awards may not be disposed of, or otherwise dealt with including the granting of a Security Interest over the Resulting Shares, unless the disposal is approved by the Board in its absolute discretion or is effected by force of law on death or legal incapacity to the holder's personal representative.

Except as set out in the Company's Securities Trading Policy and applicable laws, no specific disposal restrictions apply to any resulting Shares that the holder receives as a result of the exercise of the Award.

Leaver Provisions

Where a Participant becomes a Good Leaver, unless the EIP invitation provides otherwise, they will retain all of their vested Awards and all of their unvested Awards will be forfeited on a date determined by the Board, unless the Board provides express written consent that the Participant may retain any or all of their unvested Award. Any unvested Awards that are retained, will be subject to the terms and conditions of the Award prior to becoming a Good Leaver, or such other terms and conditions as the Board sees fit.

Where a Participant becomes a Bad Leaver, all of their vested and unvested Awards will be forfeited on a date determined by the Board, unless the Board provides express written consent that the Participant may retain any or all of their vested and/or unvested Awards. The Awards will be subject to the terms and conditions that the Participant held those Awards prior to becoming a Bad Leaver, or such other terms and conditions as the Board sees fit.

Subject to the Corporations Act and any other applicable laws, regulations and the ASX Listing Rules, the Board may determine that some or all of the Awards retained by a Participant are deemed to have vested.

Change of Control Event

Notwithstanding the terms of the EIP Rules, if the Board resolves for the purpose of the EIP that a change of control event will occur, or a change of control event has actually occurred, the Board will waive the vesting conditions applicable to the unvested Awards and a vesting notice will be sent to the holder by the Company unless it determines otherwise that an alternative treatment will apply to those unvested Awards.

Employee share trust

The Company may operate an employee share trust in conjunction with the EIP. Participants that have Shares held in an employee share trust on an allocated basis are entitled to dividends paid on those Shares and to instruct the trustee how to exercise votes attaching to those Shares.



DAMSTRA

TRACK • MANAGE • PROTECT

Damstra Holdings Limited
ACN 610 571 607

Need assistance?



Phone:

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



Online:

www.investorcentre.com/contact

DTC

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



YOUR VOTE IS IMPORTANT

For your vote to be effective it must be received by **10:00am (AEDT) Monday, 28 November 2022.**

Voting Form

How to Vote on Items of Business

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

VOTE DIRECTLY

Voting 100% of your holding: Mark either the For, Against or Abstain box opposite each item of business. Your vote will be invalid on an item if you do not mark any box or if you mark more than one box for that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the 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.

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 under the help tab, "Printable Forms".

Lodge your Form:

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Online:

Lodge your vote online at 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: I999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to 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

Voting Form

Please mark ☒ to indicate your directions

Step 1

Indicate How Your Vote Will Be Cast *Select one option only*

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At the Annual General Meeting of Damstra Holdings Limited to be held at Gallery 1 & 2, The Olsen, 637 - 641 Chapel St, South Yarra VIC 3141 on Wednesday, 30 November 2022 at 10:00am (AEDT) or online and at any adjournment or postponement of that meeting, I/We being member/s of Damstra Holdings Limited direct the following:

A **Vote Directly** ☐ Record my/our votes strictly in accordance with directions in Step 2. **PLEASE NOTE:** A Direct Vote will take priority over the appointment of a Proxy. For a valid Direct Vote to be recorded you must mark FOR, AGAINST, or ABSTAIN on each item.

OR

B **Appoint a proxy to vote on your behalf** I/We hereby appoint: ☐ **The Chairman of the Meeting** OR **PLEASE NOTE:** Leave this box blank if you have selected the Chairman 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 Chairman 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).

Chairman authorised to exercise undirected proxies on remuneration related resolutions. Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 7, 9, 10, 11 and 12 (except where I/we have indicated a different voting intention in step 2) even though Items 1, 7, 9, 10, 11 and 12 connected directly or indirectly with the remuneration of a member of key management personnel which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 7, 9, 10, 11 and 12 by marking the appropriate box in step 2.

Step 2

Items of Business

PLEASE NOTE: If you have appointed a proxy and 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. If you are directly voting and you mark the **Abstain** box for an item, it will be treated as though no vote has been cast on that item and no vote will 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"/>	8 Approval of Equity Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Drew Fairchild	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Ratification of prior issue of Placement Shares under ASX Listing Rule 7.1 pursuant to ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director – Mrs Sara La Mela	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Director Participation in Equity Incentive Plan and issue of FY23 LTI Options to Johannes Risseeuw	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval of Director Participation in Equity Incentive Plan and issue of FY23 LTI Options to Christian Damstra	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs, to Non-Executive Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to amend the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Approval of Modification to the Compensation Package, including Proposed Issue of ZPOs to Executive Directors	<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

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

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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DTC

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Computershare

