

Spenda Limited
ABN 67 099 084 143

Notice of 2023 Annual General Meeting

Notice is hereby given that the 2023 Annual General Meeting of Spenda Limited ACN 099 084 143 will be held in the Conference Room at The Garden Office Park, Ground Floor, Building C, 355 Scarborough Beach Road, Osborne Park WA 6017 on 3 November 2023 at 11:00am AWST.

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

This Notice is given based on circumstances as at 29 September 2023. Should circumstances change, the Company will make an announcement on the ASX market announcements platform (ASX code: SPX) and on the Company's website at <https://investors.spenda.co>. Shareholders are urged to monitor the ASX announcements platform and the Company's website for any updates.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5:00PM AWST on 1 November 2023.

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

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

Voting

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

Voting in person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

Voting by proxy

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

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as
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	shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000
By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au

Your Proxy instruction must be received no later than 11:00am (AWST) on 1 November 2023, being at least 48 hours before the commencement of the Meeting.

Proxy Forms received later than this time will be invalid.

Power of Attorney

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

Corporate Representatives

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

b. **Agenda for the Meeting**

Financial statements and reports

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 30 June 2023.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the financial statements and reports.

A representative of Company's auditor, HLB Mann Judd (WA Partnership), will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Company's 2023 Annual Report can be viewed online at and on the ASX announcements platform www.asx.com.au (ASX code: SPX) and the Company's website <https://investors.spenda.co>.

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Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a **Non-Binding Resolution**:

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2023.”

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

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter. However, the Company need not disregard a vote if:

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

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

Resolution 2 – Re-election of Peter Richards as Director

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

“That Peter Richards, a Director who retires by rotation in accordance with the Constitution and ASX Listing Rule 14.4, and being eligible offers himself for re-election as a Director, is so re-elected effective immediately.”

Resolution 3 – Election of David Laird as Director

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

“That David Laird, a Director appointed by the Board, retires by in accordance with the Constitution and ASX Listing Rule 14.4, and being eligible offers himself for election as a Director, is so elected effective immediately.”

Resolution 4 – Ratification of prior issue of Shares and Options under ESIP

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and prior issue of 11,625,000 Shares and 72,000,000 Options issued to pursuant to the Company’s Employee Securities Incentive Plan and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

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

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

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

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

Resolution 5 – Ratification of Prior Issue of Placement Shares under ASX Listing Rule 7.1A

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 326,297,911 Placement Shares issued on 19 June 2023 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

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

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

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

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

Resolution 6 – Ratification of Prior Issue of Placement Shares under ASX Listing Rule 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 67,035,422 Placement Shares issued on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

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

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

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

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

Resolution 7 – Ratification of Prior Issue of Placement Options under ASX Listing Rule 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 196,666,667 Placement Options issued on 4 August 2023 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

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

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

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

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

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

Resolution 8 – Approval of Issue of Placement Shares and Placement Options to Related Party – Participation in Placement – Mr. Peter Richards

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 16,666,667 Placement Shares and 8,333,333 Placement Options to Peter Richards (or his nominee), a director of the Company, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of Peter Richards and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 8 if it is cast by:

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

Resolution 9 – Approval of Issue of Placement Shares and Placement Options to Related Party - Participation in Placement – Mr. Adrian Floate

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 22,222,222 Placement Shares and 11,111,111 Placement Options to Adrian Floate (or his nominee), a director of the Company, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 9 by or on behalf of Adrian Floate and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 9 if it is cast by:

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

Resolution 10 – Approval of Issue of Placement Shares and Placement Options to Related Party - Participation in Placement – Mr. Howard Digby

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of up to 1,111,111 Placement Shares and 555,555 Placement Options to Howard Digby (or his nominee), a director of the Company, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 10 by or on behalf of Howard Digby and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities

in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 10 if it is cast by:

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

Resolution 11 – Ratification of Prior Issue of Broker Options under ASX Listing Rule 7.1

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

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 13,677,500 Broker Options issued on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

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

- (a) a person who participated in the issue or is a counterparty to the agreement being approved; or
- (b) an Associate of that person or those persons.

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

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

Resolution 12 – Adoption of Employee Securities Incentive Plan

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

“That, for the purposes of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled ‘Employee Securities Incentive Plan’ and for the issue of securities under the Incentive Plan, on the terms and conditions set out in the Explanatory Statement.”

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

- (a) a person who is eligible to participate in the Incentive Plan; or
- (b) an Associate of that person or those persons.

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

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

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 12 if:

- (a) the proxy is a Restricted Voter; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

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

Resolution 13 – Approval of Issue of Shares and Options to Adrian Floate, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue and allotment of 2,250,000 Shares 108,000,000 Options to Adrian Floate, a Director (or his nominee) on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Adrian Floate and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 13 if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution 13, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary.

Resolution 14 – Approval of Issue of Options to Peter Richards, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue and allotment of 26,000,000 Options to Peter Richards, a Director (or his nominee) on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 14 by or on behalf of Peter Richards and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 14 if it is cast by:

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

Resolution 15 – Approval of Issue of Options to Stephen Dale, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue and allotment of 15,000,000 Options to Stephen Dale, a Director (or his nominee) on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 15 by or on behalf of Stephen Dale and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 15 if it is cast by:

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

Resolution 16 – Approval of Issue of Options to, Howard Digby, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue and allotment of 10,000,000 Options to Howard Digby, a Director (or his nominee) on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 16 by or on behalf of Howard Digby and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 16 if it is cast by:

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

Resolution 17 – Approval of Issue of Options to, David Laird, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue and allotment of 10,000,000 Options to David Laird, a Director (or his nominee) on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 17 by or on behalf of David Laird and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 17 if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in

accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

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

Resolution 18 – Approval to issue up to 400,000,000 Shares

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 400,000,000 Shares for cash consideration at a minimum issue price of \$0.009 per Share and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of this Resolution 18 by or on behalf of a person who is expected to participate in or will obtain a material benefit as a result of the proposed issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company need not disregard a vote cast in favour of this Resolution 18 if it is cast by:

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

Resolution 19 - ASX Listing Rule 7.1A Approval of Future Issue of Securities

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 19 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 19 by:

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

Resolution 20 – Appointment of Auditor

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

"That pursuant to and in accordance with section 327B of the Corporations Act and for all other purposes, HLB Mann Judd (WA Partnership), having been nominated by a Shareholder and consented in writing to act in the capacity of auditor of the Company, be appointed as auditor of the Company on the terms and conditions in the Explanatory Statement."

Resolution 21 – Spill Resolution (Conditional Item)

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

“That, for the purposes of section 250V(1) of the Corporations Act 2001 (Cth), subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against the adoption of the Remuneration Report:

- a) an extraordinary general meeting of the Company (“Spill Meeting”) be held within 90 days after the passing of this resolution;*
- b) all of the Directors in office (excluding the Managing Director) at the time when the Board resolution to make the Directors’ Report for the financial year ended 30 June 2023 was passed, and who remain Directors at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote of Shareholders at the Spill Meeting.”*

Note: This Resolution will only be considered and voted on if the outcome of Resolution 1 of this Notice of Meeting is such that at least 25% of the votes cast are against the adoption of the Remuneration Report.

Resolution 21 is **NOT SUPPORTED** by the Directors and the Board unanimously recommends that shareholders **VOTE AGAINST** Resolution 21 if Resolution 21 is put to the meeting. The Chair of the meeting intends to vote all undirected proxies against this resolution if it is put to the meeting. Please see the Explanatory Statement for further details.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, the Company will disregard any votes cast on Resolution 21 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (KMP), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 21; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (Chair) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 21 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote against Resolution 21. If you do not want your vote exercised against Resolution 21, you should direct the person chairing the Meeting to vote in favour, or to abstain from voting on, this Resolution.

2. Determination of voting entitlement

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognised as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 5:00pm AWST on 1 November 2023.

3. Votes

Voting on each resolution will be by way of a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

4. Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company, by mail at Automic GPO Box 5193, Sydney NSW 2001, in person Level 5, 126 Phillip Street Sydney NSW 200, by email at meetings@automicgroup.com.au or online at <https://investor.automic.com.au/#/loginsah> by 48 hours prior to commencement of the Meeting.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on the Resolutions by marking either "For", "Against" or "Abstain" on the form of proxy for that item of business.

Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairperson will vote undirected proxies on, and in favour of Resolutions 1 to 20 and will vote undirected proxies against Resolution 21 (if resolution 21 is put to the Meeting).

If the proxy is the Chairman, the Chairman can also vote undirected proxies on Resolutions 1, 4, 12, 13, 14, 15, 16, 17 and 21, provided that proxy form expressly authorises the Chairman to vote on Resolutions 1, 12, 13, 14, 15, 16, 17 and 21 even though Resolutions 1, 4, 12, 13, 14, 15, 16, 17 and 21 are connected with the remuneration of key management personnel (KMP).

A form of proxy accompanies this Notice.

5. Questions and Comments by Shareholders

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, HLB Mann Judd. These questions should be relevant to:

- (a) the conduct of the audit;
- (b) the preparation and contents of the audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to HLB Mann Judd if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2023. Relevant written questions for the auditor must be received by the Company no later than 11:00am AWST on 27 October 2023. A representative of HLB Mann Judd will provide answers to the questions at the Meeting.

If you have any questions in regard to this Notice, please contact the Company Secretary at investors@spenda.co.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11:00 am (AWST) on Friday, 3 November 2023 in the Conference Room at The Garden Office Park, Ground Floor, Building C, 355 Scarborough Beach Road, Osborne Park WA 6017 (**2023 AGM**).

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

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

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

Agenda

Ordinary business

Financial statements and reports

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

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

Whilst the Company will not provide a hard copy of the Annual Financial Report unless specifically requested to do so, Shareholders may view the Annual Financial Report on its website at <https://investors.spenda.co> and the ASX website www.asx.com.au ASX code: SPX.

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

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

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

Written questions of the auditor

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

Please note that all written questions must be received at least five business days before the Meeting, being by 27 October 2023.

Resolutions

1. Resolution 1– Adoption of Remuneration Report

1.1. Background

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

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://investors.spenda.co> and the ASX website www.asx.com.au (ASX code: SPX).

The Company received a first strike on the Remuneration Report from Shareholders at its 2022 Annual General Meeting where 60.74% votes were cast against the resolution and 39.26% were cast in favour. Therefore, if at least 25% of the votes cast are against the adoption of the Remuneration Report at 2023 Annual General Meeting, the Company will be required to put to the vote a Spill Resolution at the 2023 AGM to approve the calling of a Spill Meeting. If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2023 AGM. All of the Directors who were in office when the 2023 Directors' Report was approved, other than the Managing Director, will (if required) need to stand for re-election at the Spill Meeting. Please refer to Resolution 21 for further information.

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

1.2. Voting

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

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the

proxy on how to vote on this Resolution.

1.3. Directors' Recommendation

The Board is not making a recommendation for this Resolution.

Where permitted, the Chair intends to vote all undirected proxies in favour of this Resolution.

2. Resolution 2 – Re-election of Peter Richards as Director

2.1. Background

In accordance with the Constitution, Peter Richards, a Director first appointed by the Board on 13 December 2017 retires and offers himself for re-election as a Director.

ASX Listing Rule 14.4 also provides that each Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or 3 years, whichever is longer (excluding the Managing Director).

Mr Richards was first appointed a Director on 13 December 2017 and was last re-elected as a Director at the 2020 AGM.

Under this Resolution, for the purposes of clause 10.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Peter Richards (being the Director who has been in office the longest since his election) has elected to retire by rotation, and being eligible, seeks re-election as a Director at this AGM.

Peter is an experienced independent director with over 40 years of international business experience with global companies including British Petroleum, Wesfarmers Limited, Dyno Nobel Limited and Norfolk Holdings Limited. During his time at Dyno Nobel, he held several senior positions within the North American and Asia Pacific businesses, before being appointed as Chief Executive Officer based in Australia (2005 to 2008). He is also the Chairman of GrainCorp Limited (ASX: GNC) and Emeco Holdings Limited (ASX: EHL).

2.2. Directors' recommendation

The Directors (Peter Richards abstaining) recommend that Shareholders vote in favour of this Resolution.

3. Resolution 3 – Election of David Laird as Director

3.1. Background

In accordance with the Constitution, David Laird, a Director appointed by the Board as an additional Director of the Board on 27 September 2023 retires and offers himself for election as a Director.

ASX Listing Rule 14.4 also provides that a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity.

Under this Resolution, for the purposes of clause 10.6 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, David Laird (an additional Director appointed by the Board during the year) retires, and being eligible, seeks election as a Director at this AGM.

David is a seasoned Payments Industry Professional with over 25 years' experience in developing and deploying technology to solve complex client problems. As an Institutional Banker, he developed and implemented groundbreaking solutions for Government and many of Australia's largest companies. His experience extends to commercial, legal and technical negotiations.

Clients include whole of State Government banking mandates, Australia's largest ticketing agency, Australia's largest Toll Road operator, Federal Government departments, Private Health Insurance funds and Australia's premier sporting stadium.

David is a foundation team member and shareholder in Fintech company DataMesh, who have developed and certified a cloud based Merchant Acquiring switch and proprietary android EFTPOS terminal software and are actively deploying solutions in market. Servicing a suite of Institutional clients and major Australian Banks, DataMesh works with retailers and acquirers to enhance their relationships and capabilities.

Also an independent consultant, David advises on the full spectrum of Transaction Banking, including Payments (inward and outward) and Liquidity Management for major enterprises requiring specialist advice and knowledge. His experience has included senior customer facing roles at ANZ and Commonwealth Bank and the world of Fintech. Holding a degree in eCommerce, David has lectured Information Systems for Business at Deakin University's Faculty of Business and Law as part of their MBA / MPA programs.

3.2. Directors' recommendation

The Directors (David Laird abstaining) recommend that Shareholders vote in favour of this Resolution.

4. Resolution 4 – Ratification of prior issue of Shares and Options under ESIP

4.1. Background

From 15 May 2023 to 1 September 2023, the Company issued 11,625,000 Shares and 72,000,000 unlisted Options as incentive/performance based as remuneration pursuant to its Employee Securities Incentive Plan (**ESIP**). The 11,625,000 Shares and 72,000,000 Options were issued utilising the Company's existing capacity under Listing Rule 7.1. The Shares and Options were issued as detailed in the below Table 1.

Table 1

Date of Issue	Security Issued	Number issued	Allottee/s
15 May 2027	Ordinary Shares	2,500,000	Employees
15 May 2027	Unlisted Options Exercise Price: \$0.0175 Expiry Date:15 May 2027	23,500,000	Employees
16 May 2023	Unlisted Options Exercise Price: \$0.02 Expiry Date:16 May 2027	24,500,000	Employees
15 June 2023	Unlisted Options Exercise Price: \$0.0175 Expiry Date:15 June 2027	18,000,000	16,000,000 to Employees and 2,000,000 to consultant, Alan Manuel.
28 June 2023	Ordinary Shares	2,000,000	Consultant, Alan Manuel.
15 August 2023	Ordinary Shares	7,125,000	Employees including 1,500,000 to Richard Jarvis, 1,125,000 to Andrew Hilton, 1,687,500 to Corrie Hassan and 1,687,500 to David Wood who are all KMP.
1 September 2023	Unlisted Options Exercise Price: \$0.0175 Expiry Date:15 June 2027	6,000,000	Employees including 3,000,000 to Richard Jarvis who is a KMP.

4.2. ASX Listing Rules 7.1 and 7.4

This Resolution proposes that Shareholders approve and ratify the prior issue and allotment of 11,625,000 Shares and 72,000,000 Options which were issued on various dates set out in Table 1 from 15 May 2023 to 1 September 2023. All of the Shares and Options were issued utilising the Company's existing capacity under Listing Rule 7.1.

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

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

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have

been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1. The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to the issue of the Shares and Options under and for the purposes of Listing Rule 7.4.

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

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

To this end, this Resolution seeks Shareholder approval for the issue of the 11,625,000 Shares and 72,000,000 Options for the purposes of Listing Rule 7.4.

4.3. Information required by ASX Listing Rule 14.1A

If this Resolution is passed, the issue of the 11,625,000 Shares and 72,000,000 Options will be excluded in calculating the Company's 15% capacity limit under Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares and Options.

If this Resolution is not passed, the issue of the 11,625,000 Shares and 72,000,000 Options will be included in calculating the Company's 15% capacity limit under Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares and Options.

4.4. Information required by ASX Listing Rule 7.5

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

(a) Shares and Options were issued to eligible employees and a consultant under the Company's ESIP, none of the Shares or Options were issued to related parties of the Company, a substantial holder to the Company or an associate of any such person. As detailed in the previous Table 1, 2,000,000 Options issued on 15 June 2023 and 2,000,000 Shares issued on 28 June 2023 were issued to Alan Manual who is a banking and payments industry consultant to the Company, no Shares or Options were issued to other advisors to the Company. As also detailed in the previous Table 1, 6,000,000 shares issued on 15 August 2023 were issued to KMP Richard Jarvis (1,500,000 shares), Andrew Hilton (1,125,000 shares), Corrie Hassan and (1,687,500 Shares) and David Wood (1,687,500 Shares) and 3,000,000 Options were issued to KMP Richard Jarvis on 1 September 2023.

(b) The Company issued 11,625,000 Shares and 72,000,000 Options.

(c) The 11,625,000 Shares issued are ordinary fully paid shares. Each Option entitles the

holder to subscribe for one Share, the exercise price and expiry date of each Option is set out in the previous Table 1. Options were otherwise issued on the terms and conditions set out in Annexure A of this Notice.

- (d) The Shares and Options were issued on various dates from 15 May 2023 to 1 September 2023 as detailed in the previous Table 1.
- (e) The Shares and Options were issued for nil consideration as incentive/performance-based remuneration to eligible participants under the Company's ESIP.
- (f) No funds were raised from the issue of the securities as the securities were issued for nil consideration.
- (g) A voting exclusion statement is included in this Notice.

4.5. Directors' recommendation

The Directors believe that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the Directors recommend Shareholders vote in favour of Resolution 4.

5. Resolution 5 – Ratification of Prior Issue of Placement Shares under ASX Listing Rule 7.1A

5.1. Background to Resolutions 5, 6, 7, 8, 9 and 10 (Placement Resolutions)

As announced by the Company on 13 June 2023 the Company received commitments to raise \$3.9 million (before costs) from the issue of 433,333,333 fully paid ordinary shares (**Placement Shares**) and 216,666,667 free attaching options (**Placement Options**) to the Company's Board and management and their associated entities and sophisticated and professional investors at an issue price of A\$0.009 per share (**Placement**).

326,297,911 Placement Shares were issued by the Company without prior shareholder approval utilising its 10% placement capacity under ASX Listing Rule 7.1A which are the subject of this Resolution 5.

67,035,422 Placement Shares and 196,666,667 Placement Options were issued by the Company without prior shareholder approval utilising its 15% placement capacity under ASX Listing Rule 7.1 which are the subject of Resolutions 6 and 7 respectively.

40,000,000 Placement Shares and 20,000,000 Placement Options will be issued to Company directors Peter Richards, Adrian Floate and Howard Digby, subject to shareholder approval pursuant to ASX Listing Rule 10.11 which are the subject of resolutions 8, 9 and 10 respectively.

5.2. ASX Listing Rule 7.1A

On 25 November 2022, the Company held its annual general meeting where Shareholder approval was sought and obtained to, among other things, approve an additional 10% placement capacity pursuant to Listing Rule 7.1A.

On 19 June 2023, the Company issued 326,297,911 Placement Shares without prior Shareholder approval pursuant to its additional 10% placement capacity under Listing Rule 7.1A.

Listing Rule 7.1A provides, subject to a number of exemptions, that in addition to issues permitted without prior shareholder approval under Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under Listing Rule 7.1A may issue or agree to issue, during the period the approval is valid, a number of equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in Listing Rule 7.1.

The issue of the 326,297,911 Placement Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1A for the 12 month period following the date of issue of the 326,297,911 Placement Shares.

5.3. ASX Listing Rule 7.4

Listing Rule 7.4 sets out an exception to Listing Rule 7.1A. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1A those securities will from that date be included in variable "A" in the formula in Listing Rules 7.1 and 7.1A.2 for the purpose of calculating the annual placement capacity of the Company under both Listing Rules 7.1 and 7.1A. and so it does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule.

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

5.4. Information required by ASX Listing Rule 14.1A

If Resolution 5 is passed, the issue of the 326,297,911 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the 326,297,911 Placement Shares.

If Resolution 5 is not passed, the issue of the 326,297,911 Placement Shares will be included in calculating the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the 326,297,911 Placement Shares.

5.5. Information required by ASX Listing Rule 7.5

In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following information:

(a) **The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified and selected**

The 326,297,911 Placement Shares were issued to sophisticated, professional or other exempt investors and their related entities. None of the 326,297,911 Placement Shares were issued to KMP, related parties of the Company, a substantial holder to the Company or an associate of any such person.

Spark Plus Pte Ltd, a corporate advisor to the Company invested \$200,000 in the Placement and was issued 22,222,222 Shares. Lynx Advisors Pty Ltd, a corporate

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advisor of the Company invested \$32,800 in the Placement and was issued 3,644,445 Shares. The Market Bull Pty Ltd is an IR advisor to the Company invested \$70,000 in the Placement and was issued 7,777,788 Shares. No other current advisors to the Company were issued Shares the subject of this resolution.

(b) **Number of securities and class of securities issued**

326,297,911 Shares were issued pursuant to Listing Rule 7.1A.

(c) **Terms of the securities**

The 326,297,911 Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.

(d) **Date of issue**

The 326,297,911 Placement Shares were issued on 19 June 2023.

(e) **Issue price or other consideration**

The Placement Shares were issued at an issue price of \$0.009 per Share.

(f) **Purpose of the issue, including the intended use of the funds raised**

The proceeds from the issue of Placement Shares will be used for first loss capital relating to funds drawn from the Company's debt warehouse facility, investment in product development and for general working capital.

(g) **Relevant agreement**

The Placement Shares were issued pursuant to share placement applications that included terms usual for agreements of this nature (refer ASX announcement of 13 June 2023).

(h) **Voting exclusion statement**

A Voting Exclusion Statement has been provided for Resolution 5 in the Notice of Meeting.

5.6. Directors' Recommendation

The Directors believe that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 10% annual placement capacity under Listing Rule 7.1A without the requirement to obtain prior Shareholder approval. Accordingly, the Directors recommend Shareholders vote in favour of Resolution 5.

6. Resolution 6 – Ratification of Prior Issue of Placement Shares under ASX Listing Rule 7.1

6.1. Background

Please see Background for the Placement detailed previously under Resolution 5 of this Explanatory Statement.

6.2. ASX Listing Rules 7.1 and 7.4

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 67,035,422 Placement Shares issued on various dates in June and July 2023.

67,035,422 Placement Shares and were issued by utilising the Company's existing capacity under Listing Rule 7.1.

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

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

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

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

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of 67,035,422 Placement Shares for the purposes of Listing Rule 7.4.

6.3. Information required by ASX Listing Rule 14.1A

If this Resolution is passed, the issue of 67,035,422 Placement Shares will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Issue Date.

If this Resolution is not passed, the issue of 67,035,422 Placement Shares will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Issue Date.

6.4. Information required by ASX Listing Rule 7.5

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

(a) **The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified and selected**

The 67,035,422 Placement Shares were issued to Company management and their associated entities, sophisticated and professional investors and clients of Evolution Capital and Red Leaf Securities. None of whom are related parties of the Company or substantial holders in the Company or advisors to the Company.

The Company's CFO Richard Jarvis is a member of key management personnel (KMP), Mr. Jarvis and entities associated with him invested \$75,000 in the Placement and

were issued 8,333,334 Placement Shares. No other KMP of the Company were issued securities which are the subject of this Resolution.

(b) **Number of securities and class of securities issued**

The Company issued 67,035,422 Placement Shares pursuant to ASX Listing Rule 7.1.

(c) **Terms of the securities**

The Placement Shares are fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.

(d) **Dates of issue**

The 67,035,422 Placement Shares were issued on the dates set out in the table below.

Details	Date
22,590,980 Shares	19 June 2023
30,333,333 Shares	28 June 2023
14,111,109 Shares	18 July 2023

(e) **Issue price or other consideration**

The Placement Shares were issued at \$0.009 per Share.

(f) **Purpose of the issue, including the intended use of the funds raised**

The proceeds from the issue of Placement Shares will be used for first loss capital relating to funds drawn from the Company's debt warehouse facility, investment in product development and for general working capital.

(g) **Relevant agreement**

The Placement Shares were issued pursuant to share placement applications which included terms usual for agreements of this nature (refer ASX announcement of 13 June 2023).

(h) **Voting exclusion statement**

A Voting Exclusion Statement has been provided for this Resolution in the Notice of Meeting.

6.5. Directors' Recommendation

The Directors believe that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the recommend Shareholders vote in favour of Resolution 6.

7. Resolution 7 – Ratification of Prior Issue of Placement Options under ASX Listing Rule 7.1

7.1. Background

Please see Background for the Placement detailed previously under Resolution 5 of this Explanatory Statement.

7.2. ASX Listing Rule 7.1 and 7.4

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 196,666,667 Placement Options issued on 4 August 2023.

The 196,666,667 Placement Options were issued by utilising the Company's existing capacity under ASX Listing Rule 7.1.

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

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

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

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

To this end, this Resolution seeks Shareholder approval to subsequently approve the issue of 196,666,667 Placement Options for the purposes of Listing Rule 7.4.

7.3. Information required by ASX Listing Rule 14.1A

If this Resolution is passed, the issue of 196,666,667 Placement Options will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

If this Resolution is not passed, the issue of 196,666,667 Placement Options will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12 month period following the Issue Date.

7.4. Information required by ASX Listing Rule 7.5

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

- (a) **The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified and selected**

The 196,666,667 Placement Options were issued to sophisticated and professional investors and clients of Evolution Capital and Red Leaf Securities and Company management and their associated entities. None of whom are related parties of the Company or substantial holders in the Company.

The Company's CFO, Richard Jarvis and entities associated with him invested \$75,000 in the Placement and were 4,166,667 Placement Options, no other key management personnel or related parties of the Company were issued securities which are the subject of this resolution. Spark Plus Pte Ltd, an advisor to the Company invested \$200,000 in the Placement and was issued 11,111,111 Placement Options, Lynx Advisors Pty Ltd, a corporate advisor of the Company invested \$32,800 in the Placement and was issued 1,822,222 Placement Options. The Market Bull Pty Ltd is an IR advisor to the Company invested \$70,000 in the Placement and was issued 3,888,889 Options. No other current advisors to the Company participated in the Placement.

(b) **Number of securities and class of securities issued**

The Company issued 196,666,667 Placement Options pursuant to ASX Listing Rule 7.1.

(c) **Terms of the securities**

The Placement Options are listed Options (ASX:SPXOA) with an exercise price of \$0.0175 and an expiry date of 4 August 2025 and were otherwise issued on the terms set out in Annexure B to this Notice.

(d) **Dates of issue**

The 196,666,667 Placement Options were issued on 4 August 2023 pursuant to a Prospectus lodged with ASIC on 21 July 2023 and released on the ASX market announcements platform on 24 July 2023.

(e) **Issue price or other consideration**

The Placement Options were issued for nil consideration as free attaching Option to Placement Shares on a one (1) Placement Option for every two (2) Placement Shares basis.

(f) **Purpose of the issue, including the intended use of the funds raised**

No funds were raised directly from the issue of Placement Options as they were issued as free attaching Options to Placement Shares. The proceeds from the issue of Placement Shares will be used for first loss capital relating to funds drawn from the Company's debt warehouse facility, investment in product development and for general working capital.

(g) **Relevant agreement**

The Placement Options were issued pursuant placement applications that included terms usual for agreements of this nature (refer ASX announcement of 13 June 2023).

(h) **Voting exclusion statement**

A Voting Exclusion Statement has been provided for in the Notice of Meeting.

7.5. Directors' Recommendation

The Directors believe that the ratification of the above issue of securities is beneficial for the Company as it allows the Company to retain the flexibility to issue further securities representing up to 15% annual placement capacity under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval. Accordingly, the recommend Shareholders vote in favour of Resolution 7.

8. Resolution 8 – Approval of Issue of Placement Shares and Placement Options to Related Party - Participation in Placement – Mr. Peter Richards

8.1. Background

Please see Background for the Placement detailed previously under Resolution 5 of this Explanatory Statement.

Resolution 8 seeks shareholder approval for the issue of 16,666,667 Placement Shares and 8,333,333 Placement Options to Peter Richards (raising \$150,000) for the purposes of ASX Listing Rule 10.11 and all other purposes.

8.2. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. Mr. Peter Richards is a director the Company and a related party of the Company.

As the participation in the Placement by Mr. Richards involves the issue of Shares and Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

8.3. Information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of 16,666,667 Placement Shares and 8,333,333 Placement Options to Peter Richards (or his nominee) and raise \$150,000.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the 16,666,667 Placement Shares and 8,333,333 Placement Options to Peter Richards (or his nominee) and will not raise \$150,000.

8.4. Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

The number of securities issued	16,666,667 Shares and 8,333,333 Options with an exercise price of \$0.0175 per option and an expiry date of 4 August 2025 (ASX code SPXOA).
Date of issue	The Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	The issue price will be \$0.009 per Share, the Options are free attaching Options issued on the basis of one (1) free Option for every two (2) Shares. subscribed for.
Terms of issue	The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. 8,333,333 Options with an exercise price of \$0.0175 per option and an expiry date of 4 August 2025 (ASX code SPXOA). Please see Annexure B for the full terms of the Options.
Persons whom securities were issued or basis of issue	The Shares and Options will be issued to Mr. Peter Richards or his nominee. The issue of Shares and Options is not intended to remunerate or incentivise Mr. Peter Richards, but rather are being issued pursuant to participation in the Placement. The Shares and Options are being issued under a Placement application which included terms usual for agreements of this nature (refer ASX announcement of 13 June 2023).
Purpose of issue and use of funds raised	Funds raised (\$150,000) will be used for first loss capital relating to funds drawn from the Company's debt warehouse facility, investment in product development and for general working capital.

8.5. Chapter 2E of the Corporations Act and ASX Listing Rule 10.11

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a. obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b. give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation in the Placement by Mr. Richards will result in the issue of Shares which constitutes giving a financial benefit and Mr. Peter Richards is a related party of the Company by virtue of being a Director.

The Directors (other than Mr. Peter Richards who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares and Options will be issued to Mr. Richards on the same terms as Shares and Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

A voting exclusion statement is contained in the Notice of Meeting for Resolution 8.

8.6. Directors' recommendation

The Directors (Peter Richards abstaining) recommend that Shareholders vote in favour of this Resolution.

9. Resolution 9 – Approval of Issue of Placement Shares and Placement Options to Related Party - Participation in Placement – Mr. Adrian Floate

9.1. Background

Please see Background for the Placement detailed previously under Resolution 5 of this Explanatory Statement.

Resolution 9 seeks shareholder approval for the issue of 22,222,222 Placement Shares and 11,111,111 Placement Options to Adrian Floate (raising \$200,000) for the purposes of ASX Listing Rule 10.11 and all other purposes.

9.2. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. Mr. Adrian Floate is a director the Company and a related party of the Company.

As the participation in the Placement by Mr. Floate involves the issue of Shares and Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

9.3. Technical information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of, 22,222,222 Placement Shares and 11,111,111 Placement Options to Adrian Floate (or his nominee) and raise \$200,000.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the 22,222,222 Placement Shares and 11,111,111 Placement Options to Adrian Floate (or his nominee) and will not raise \$200,000.

9.4. Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

The number of securities issued	22,222,222 Shares (ASX:SPX) and 11,111,111 Options with an exercise price of \$0.0175 per option and an expiry date of 4 August 2025 (ASX code SPXOA) .
Date of issue	The Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	The issue price will be \$0.009 per Share, the Options are free attaching Options issued on the basis of one (1) free Option for every two (2) Shares subscribed for.
Terms of issue	The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares (ASX:SPX). 11,111,111 Options with an exercise price of \$0.0175 per option and an expiry date of 4 August 2025 (ASX code SPXOA). Please see Annexure B of this Notice for the full terms of the Options.
Persons whom securities were issued or basis of issue	The Shares and Options will be issued to Mr. Adrian Floate or his nominee. The issue of Shares and Options is not intended to remunerate or incentivise Mr. Adrian Floate, but rather are being issued pursuant to participation in the Placement. The Shares and Options are being issued under a Placement application which included terms usual for agreements of this nature (refer ASX announcement on 13 June 2023).

Purpose of issue and use of funds raised	Funds raised (\$200,000) will be used for first loss capital relating to funds drawn from the Company's debt warehouse facility, investment in product development and for general working capital.
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9.5. Chapter 2E of the Corporations Act and ASX Listing Rule 10.11

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a. obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b. give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation in the Placement by Mr. Floate will result in the issue of Shares and Options which constitutes giving a financial benefit and Mr. Adrian Floate is a related party of the Company by virtue of being a Director.

The Directors (other than Mr. Adrian Floate who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares and Options will be issued to Mr. Floate on the same terms as Shares and Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

A voting exclusion statement is contained in the Notice of Meeting for Resolution 9.

9.6. Directors' recommendation

The Directors (Adrian Floate abstaining) recommend that Shareholders vote in favour of this Resolution.

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10. Resolution 10 – Approval of Issue of Placement Shares and Placement Options to Related Party - Participation in Placement – Mr. Howard Digby

10.1. Background

Please see Background for the Placement detailed previously under Resolution 5 of this Explanatory Statement.

Resolution 10 seeks shareholder approval for the issue of 1,111,111 Placement Shares and 555,555 Placement Options to Howard Digby (raising \$10,000) for the purposes of ASX Listing Rule 10.11 and all other purposes.

10.2. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies. Mr. Howard Digby is a director the Company and a related party of the Company.

As the participation in the Placement by Mr. Digby involves the issue of Shares and Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

10.3. Information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the issue of, 1,111,111 Placement Shares and 555,555 Placement Options to Howard Digby (or his nominee) and raise \$10,000.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the 1,111,111 Placement Shares and 555,555 Placement Options to Howard Digby (or his nominee) and will not raise \$10,000.

10.4. Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

The number of securities issued	1,111,111 Shares (ASX:SPX) and 555,555 Options with an exercise price of \$0.0175 per option and an expiry date of 4 August 2025 (ASX code SPXOA) .
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Date of issue	The Shares and Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
Issue price per security	The issue price will be \$0.009 per Share, the Options are free attaching Options issued on the basis of one (1) free Option for every two (2) Shares subscribed for.
Terms of issue	The Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares (ASX:SPX). Options are listed Options with an exercise price of \$0.0175 per option and an expiry date of 4 August 2025 (ASX code SPXOA). Please see Annexure B for the full terms of the Options.
Persons whom securities were issued or basis of issue	The Shares and Options will be issued to Mr. Howard Digby or his nominee. The issue of Shares and Options is not intended to remunerate or incentivise Mr. Digby, but rather are being issued pursuant to participation in the Placement. The Shares and Options are being issued under a Placement application which included terms usual for agreements of this nature (refer ASX announcement on 13 June 2023).
Purpose of issue and use of funds raised	Funds raised (\$10,000) will be used for first loss capital relating to funds drawn from the Company's debt warehouse facility, investment in product development and for general working capital.

10.5. Chapter 2E of the Corporations Act and ASX Listing Rule 10.11

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a. obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- b. give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation in the placement by Mr. Digby will result in the issue of Shares and Options which constitutes giving a financial benefit and Mr. Howard Digby is a related party of the Company by virtue of being a Director.

The Directors (other than Mr. Digby who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares and Options will be issued to Mr. Digby on the same terms as Shares and Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

A voting exclusion statement is contained in the Notice of Meeting for the Resolution.

10.6. Directors' recommendation

The Directors (Howard Digby abstaining) recommend that Shareholders vote in favour of this Resolution.

11. Resolution 11 – Ratification of Prior Issue of Broker Options under ASX Listing Rule 7.1

On 4 August 2023, the Company issued 13,677,500 Listed Options (SPXOA) ("Broker Options") in part consideration for capital raising fees payable to the lead managers (Red Leaf Securities and Evolution Capital) of the Company's Placement announced on 13 June 2023.

The Broker Options were issued without the prior approval of Shareholders utilising the Company's placement capacity under ASX Listing Rule 7.1.

Resolution 11 seeks Shareholder approval to ratify the issue of 13,677,500 Broker Options for the purposes of Listing Rule 7.4 and all other purposes.

11.1. ASX Listing Rules 7.1 and 7.4

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

The issue of Broker Options referred to in this Resolution does not fit within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without shareholder approval under Listing Rule 7.1 for the 12-month period following the issue date.

Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of Equity Securities after it has been made or agreed to be made (and pursuant to Listing Rule 7.1

(and provided that the previous issues did not breach Listing Rule 7.1). If they do, the issue is taken to have been approved under Listing Rule 7.1 and consequently, does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain shareholder approval for such issue under Listing Rule 7.1. To this end this Resolution seeks Shareholder approval to ratify, pursuant to Listing Rule 7.4, the previous issue of the Broker Options on 4 August 2023.

11.2. Technical information required by Listing Rule 14.1A

If this Resolution is passed, the 13,677,500 Broker Options issued on 4 August 2023 will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval under that rule over the 12 month period following the issue date.

In the event that Shareholders do not approve this Resolution, the issue of Broker Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of Equity Securities it can issue without Shareholder approval under that rule over the 12 month period following the issue date.

11.3. Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to this Resolution:

The number of securities issued	13,677,500 Broker Options
Date of issue	4 August 2023.
Issue price per security	The 13,677,500 Broker Options were issued at a nil issue price in part satisfaction of capital raising / lead manager services provided by the joint lead managers, Red Leaf Securities and Evolution Capital.
Terms of issue	Each Listed Option (ASX:SPXOA) entitles the holder to subscribe for one Share in the Company and expires on 4 August 2025. The Options are exercisable at an exercise price of \$0.0175 and are subject to the vesting condition of the Company's ordinary shares trading at a VWAP of \$0.03 or higher over any consecutive 15 trading day period. The Broker Options were otherwise issued on the terms and conditions set out in 'Annexure B' of this Notice.

Summary of Agreement Terms	<p>The Listed Options were issued pursuant to a Lead Manager Mandate entered into between the Company and joint lead managers, Red Leaf Securities and Evolution Capital to raise funds for the \$3.9 million Placement.</p> <p>Under the Lead Manager Mandate entered into in June 2023, the Company has agreed to pay Red Leaf Securities and Evolution Capital a lead manager fee of 6% of the amount raised by the joint lead managers and issue 13,677,500 Broker Options which are the subject of this Resolution.</p>
Persons whom securities were issued or basis of issue	<p>The Listed Options were allotted and issued to Evolution Capital and Redleaf Securities and their nominee(s), who are not a related parties of the Company or substantial shareholders of the Company</p>
Purpose of issue and use of funds raised	<p>No funds were raised by the Company in respect of the issue of the Options as they were issued in part satisfaction of lead manager services for the Placement. If the Options are exercised the Company will raise \$239,356, funds raised may be used by the Company for working capital, product development and debt warehouse funding, however, the use of funds will depend on the circumstances of the Company at the time of exercise and will be determined at such time by the Board.</p>

A voting exclusion statement is contained in the Notice of Meeting for this Resolution.

11.4. Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

12. Resolution 12 – Adoption of the Employee Incentive Plan

12.1. Background

The Company's Employee Securities Incentive Plan (ESIP or Plan) was last approved by Shareholders on 20 May 2021. The Company seeks Shareholder approval to re-adopt the Incentive Plan for the purposes set out in this Explanatory Statement so that Company securities may be issued under the Incentive Plan as an exception to ASX Listing Rule 7.1.

The Plan is intended to assist the Company to attract and retain key staff, whether employees or contractors. The Board believes that grants made to eligible participants under the Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the Plan will:

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1. enable the Company to incentivise and retain existing key management personnel and other eligible employees and contractors needed to achieve the Company's business objectives;
 2. enable the Company to recruit, incentivise and retain additional key management personnel, and other eligible employees and contractors, needed to achieve the Company's business objectives;
 3. link the reward of key staff with the achievement of strategic goals and the long-term performance of the Company;
 4. align the financial interest of participants of the Plan with those of Shareholders; and
 5. provide incentives to participants under the Plan to focus on superior performance that creates Shareholder value.

A summary of the key terms of the Plan is set out in Annexure C of this Notice, and a copy of the rules of the Incentive Plan is available upon request from the Company.

12.2. ASX Listing Rules

A summary of Listing Rule 7.1 is summarized previously in this Notice.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme, if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum amount set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which the shareholder approval was pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

12.3. Information required by ASX Listing Rule 14.1A

If this Resolution is approved by Shareholders for all purposes under the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 13(b)), it will have the effect of enabling the securities issued by the Company under the Incentive Plan to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (15% capacity) during the next three year period.

For the avoidance of doubt, the Company will be required to seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the Incentive Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If this Resolution is not passed, the Company will be able to proceed with the issue of securities under the Incentive Plan to eligible participants, but any issues of securities will

reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the securities.

12.4. Information required by ASX Listing Rule 7.2 (exception 13(b))

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13(b)), the following information is provided in relation to this Resolution:

- a) A summary of the key terms and conditions of the Incentive Plan is set out in Annexure C of this Notice.
- b) Since the Incentive Plan was last approved by Shareholders on 20 May 2021, the Company has issued 150,842,049 Shares and 269,550,000 Options pursuant to the Incentive Plan.
- c) If this Resolution is approved by Shareholders, the Company will issue up to a maximum of 360,000,000 securities under the Incentive Plan during the three-year period following approval. The maximum number is not intended to be a prediction of the actual number of Securities to be issued under the Plan, simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(b)).
- d) A voting exclusion statement is included in this Notice.

12.5. Directors' Recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

13. Resolution 13 – Approval of Issue of 2,250,000 Shares and 108,000,000 Options to Adrian Floate, Director of the Company

13.1. Background

The Company proposes to issue 108,000,000 Options and 2,250,000 Shares to the Company's Managing Director, Adrian Floate, and/or his nominee. 100,000,000 Options will be exercisable at \$0.10 (10 cents) per Option and expire on 3 November 2027, 8,000,000 Options will be exercisable at \$0.0175 (1.75 cents) per Option and expire 15 June 2027.

In 2022 the Company announced that it would be seeking shareholder approval at the November 2022 AGM to issue Adrian Floate 60,000,000 Options with an exercise price of \$0.0175 per Option expiring 4 years from the date of issue as part of Mr. Floate's incentive-based remuneration for 2022. The resolution to issue Mr. Floate the 60,000,000 Options was not approved by shareholders at the Company's 2022 AGM with 50.56% of votes against the resolution and 49.44% of votes in favour of the resolution. Following the AGM and taking shareholders voting into consideration, the Board re-negotiated Mr. Floate's proposed 2022 incentive-based remuneration and agreed with Mr. Floate to substantially increase the exercise price of the options by 471% to \$0.10 per Option and, also increase the number of Options offered by 67% from 60,000,000 to 100,000,000. For Mr. Floate to receive any benefit from the exercise of these 100,000,000 Options, the Company's share price at the time of preparing this Notice (\$0.007 as at 20 September 2023) must increase by at least 1329% to above 10 cents per Share.

In addition, as part of Mr. Floate's incentive-based remuneration for 2023 and the current financial year, it is proposed that Mr. Floate be issued 2,250,000 Shares and 8,000,000 Options, the 8,000,000 Options will be exercisable at \$0.0175 per Option and expire 15 June 2027. The exercise price for the 8,000,000 Options of \$0.0175 is a 150% premium to the current market price at the time of preparing this Notice (\$0.007 as at 20 September 2023). For Mr. Floate to receive any benefit from the exercise of these 8,000,000 Options, the Company's share price (\$0.007 as at 20 September 2023) must increase by more than 150% (or above) per Share.

The issue of options and/or shares to directors and executives as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors and executives to improve the performance of the company to the commercial benefit of all shareholders. It further aligns with interests of the executive/director with shareholders and allows the Company to remunerate, attract and retain experienced and qualified executives and directors in a competitive labour market.

The Shares and Options are intended to provide remuneration that is linked to the performance of the Company in the future. The benefit would only be received from the Options upon the Share price exceeding the exercise price of the Options and thereby warranting their exercise before they are lapsed.

Under the Company's current circumstances, the Board (with Mr. Floate abstaining) consider that the incentive-based remuneration noted above, represented by the issue of the 108,000,000 Options and 2,250,000 Shares, is a cost effective and efficient reward and incentive to provide, as opposed to the payment of cash compensation only.

In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Accordingly, this Resolution seeks the required Shareholder approval to issue 108,000,000 Options and 2,250,000 Shares Director Options to Adrian Floate and/or his nominee under and for the purposes of ASX Listing Rule 10.11.

13.2. Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by

Shareholders.

As Adrian Floate is a Director, he is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of Shareholders under Listing Rule 10.11.

To this end, this Resolution seeks the required Shareholder approval to issue 108,000,00 Options and 2,250,000 Shares to Adrian Floate under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1. Accordingly, the issue of the 108,000,000 Options and 2,250,000 Shares the subject of this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

13.3. information required by ASX Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the proposed issue of Shares and Options to Mr. Floate.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Options and Shares to Mr. Floate and will then be required to renegotiate with Mr. Floate such other reasonable remuneration as may be applicable in substitution of these Options and Shares, which may include the payment of additional cash amounts, reducing the Company's cash reserves.

13.4. Chapter 2E of the Corporations Act

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

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

The proposed issue of 2,250,000 Shares and 108,000,000 Options (which is a type of equity security, for the purposes of Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

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

The Board (other than Adrian Floate who has a material personal interest in the Resolution) carefully considered the issue of these 108,000,000 Options and 2,250,000 Shares and formed the view that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares and Options to Adrian Floate and/or his nominee because they form part of Mr. Floate's remuneration as an executive and officer of the Company and the remuneration is reasonable given Mr. Floate's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of the 108,000,000 Options and 2,250,000 Shares to Adrian Floate as the issue of the securities constitute 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

13.5. Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the 2,250,000 Shares and 108,000,000 Options to Adrian Floate is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The allottee is Adrian Floate or his nominee.
- (b) Adrian Floate falls under Listing Rule 10.11.1 as a related party because he is a Director.
- (c) The maximum number of securities to be issued to Mr. Floate is 108,000,000 Options and 2,250,000 Shares.
- (d) Each Option will entitle the holder to subscribe for one Share. 100,000,000 Options will be exercisable at \$0.10 (10 cents) per Option and expire on 3 November 2027, 8,000,000 Options will be exercisable at \$0.0175 per Option and expire 15 June 2027. One quarter of the 100,000,000 Options with a \$0.10 exercise price Options will vest upon issue. One quarter of the Options will vest on the date that is one year after the date of issue. One quarter of the Options will vest on the date that is two years after the date of issue. One quarter of the Options will vest on the date that is three years after the date of issue. The 8,000,000 Options with a \$0.0175 exercise price and a 15 June 2027 expiry date will vest upon issue.

Where the holder of the Options (or, if the holder is a nominee, the person appointing that nominee) ceases to be a director or employee of the Company any unvested options will lapse at the date of cessation unless determined otherwise by the Board at its absolute discretion.

The 108,000,000 Options will be unlisted and otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.

The 2,250,000 Shares are ordinary fully paid shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares (ASX:SPX).

- (e) The securities the subject of this Resolution will be issued within 1 month from the date of the Meeting.
- (f) The 2,250,000 Shares and 108,000,000 Options will be offered for nil cash consideration.
- (g) The estimated value of the Shares and Options (Options value based on the Black Scholes methodology) as at 20 September 2023 is set out in the below table:

Security	Quantity	Value per security	Total value
Shares	2,250,000	\$0.007	\$15,750
Options with an exercise price of \$0.10 each	100,000,000	\$0.0016	\$160,000
Options with an exercise price of \$0.0175 each	8,000,000	\$0.0037	\$29,600
Total			\$205,350

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Funds will not be raised from the issue of Shares and Options as the issue is proposed to be made for nil cash consideration. Should the Options be exercised up to \$10,140,000 will be raised, funds raised may be used by the Company for working capital, product development and debt warehouse funding, however, the use of funds will depend on the circumstances of the Company at the time of exercise and will be determined at such time by the Board.

A summary of Mr. Floate remuneration for the 2022 financial year and 2023 financial year is set out on pages 28 and 29 of the Company's 2023 Annual Report. His current remuneration base salary for the year is \$275,000 plus superannuation. In addition, short-term and long-term incentive-based remuneration that includes cash and equity components (including the securities the subject of this Resolution) will be determined by the Board. Any equity-based remuneration is subject to Shareholder approval.

13.6. Directors' recommendation

The Directors (Adrian Floate abstaining) recommend that Shareholders vote in favour of this Resolution.

14. Resolution 14 – Approval of Issue of Options to Peter Richards, Director of the Company

14.1. Background

The Company proposes to issue 26,000,000 Options to the Chairman, Peter Richards, and/or his nominee (**PR Options**). The 26,000,000 Options will be exercisable at \$0.0175 per Option and expire 15 June 2027 and will be issued (subject to shareholder approval) as a form of incentive-based remuneration.

The issue of options to directors as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors and executives to improve the performance of the company to the commercial benefit of all shareholders. It further aligns with interests of the director with shareholders and allows the Company to remunerate, attract and retain experienced and qualified directors in a competitive labour market.

The PR Options are intended to provide remuneration that is linked to the performance of the Company in the future. The benefit would only be received from the Options upon the Share price exceeding the exercise price of the Options and thereby warranting their exercise before they are lapsed.

The exercise price for the PR Options of \$0.0175 is a 150% premium to the market price at the time of preparing the Notice (\$0.007 as at 20 September 2023). For Mr. Richards to receive any benefit from the exercise of these PR Options, the Company's share price (\$0.007 as at 20 September 2023) must increase by more than 150%.

Under the Company's current circumstances, the Board (with Mr. Richards abstaining) consider that the incentive-based remuneration noted above, represented by the issue of the PR Options, is a cost effective and efficient form of remuneration and incentive to provide, as opposed to the payment of cash compensation only.

In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Accordingly, this Resolution seeks the required Shareholder approval to issue 26,000,000 Options to Peter Richards and/or his nominee under and for the purposes of ASX Listing Rule 10.11.

14.2. Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- a related party;
- a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- an Associate of a person referred to in (a) to (c) above; and
- a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Peter Richards is a Director, he is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of Shareholders under Listing Rule 10.11.

To this end, this Resolution seeks the required Shareholder approval to issue the PR Options to Peter Richards under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1. Accordingly, the issue of the 26,000,000 Options the subject of this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

14.3. Information required by ASX Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the proposed issue of PR Options to Peter Richards.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Options to Mr. Richards and will then be required to renegotiate with Mr. Richards such other reasonable remuneration as may be applicable in substitution of these Options.

14.4. Chapter 2E of the Corporations Act

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

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

The proposed issue of Shares and Options (which is a type of equity security, for the purposes of Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

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

The Board (other than Peter Richards who has a material personal interest in the Resolution) carefully considered the issue of the PR Options and formed the view that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of PR Options to Peter Richards and/or his nominee because they form part of Mr. Richards remuneration as an officer of the Company and the remuneration is reasonable given Mr. Richards circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of the 26,000,000 Options to Peter Richards as the issue of the securities constitute ‘reasonable remuneration’ in accordance with section 211 of the Corporations Act.

14.5. Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the PR Options to Peter Richards is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is Peter Richards or his nominee.
- b) Peter Richards falls under Listing Rule 10.11.1 as a related party because he is a Director.
- c) The maximum number of securities to be issued to Mr. Richards is 26,000,000 Options.
- d) Each Option will entitle the holder to subscribe for one Share. The Options will be exercisable at \$0.0175 per Option and expire 15 June 2027. 11,000,000 of the 26,000,000 Options will vest upon issue. 5,000,000 of the Options will vest on the date that is one year after the date of issue. 5,000,000 of the Options will vest on the date that is two years after the date of issue. 5,000,000 the Options will vest on the date that is three years after the date of issue.
- e) Where the holder of the Options (or, if the holder is a nominee, the person appointing that nominee) ceases to be a director or employee of the Company any unvested options will lapse at the date of cessation unless determined otherwise by the Board at its absolute discretion.
- f) The PR Options will be unlisted and otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.
- g) The PR Options the subject of this Resolution will be issued within 1 month from the date of the Meeting.

- h) The estimated value of the Options (Options value based on the Black Scholes methodology) as at 20 September 2023 set out in the below table:

Security	Quantity	Value per security	Total value
Options with an exercise price of \$0.0175 each	26,000,000	\$0.0037	\$96,200

Funds will not be raised from the issue of PR Options as the issue is proposed to be made for nil cash consideration. Should the Options be exercised up to \$455,000 will be raised, funds raised may be used by the Company for working capital, product development and debt warehouse funding, however, the use of funds will depend on the circumstances of the Company at the time of exercise and will be determined at such time by the Board.

A summary of Mr. Richards remuneration for the 2022 financial year and 2023 financial year is set out on pages 28 and 29 of the Company's 2023 Annual Report. His current remuneration base salary for the year is \$60,000 plus superannuation. In addition, incentive-based remuneration that includes equity components (which are the securities the subject of this Resolution) will be determined by the Board from time to time. Any equity-based remuneration is subject to Shareholder approval.

14.6. Directors' recommendation

The Directors (Peter Richards abstaining) recommend that Shareholders vote in favour of this Resolution.

15. Resolution 15 – Approval of Issue of Options to Stephen Dale, Director of the Company

15.1. Background

The Company proposes to issue 15,000,000 Options to Non-Executive Director, Stephen Dale, and/or his nominee (**SD Options**). 10,000,000 of the SD Options will be exercisable at \$0.0175 per Option and expire 15 June 2027 and 5,000,000 of the SD Options will be exercisable at \$0.045 per Option and expire on 3 November 2027. The SD Options will be issued (subject to shareholder approval) as a form of incentive-based remuneration.

The issue of options to directors as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of the company to the commercial benefit of all shareholders. It further aligns with interests of the director with shareholders and allows the Company to remunerate, attract and retain experienced and qualified directors in a competitive labour market.

The SD Options are intended to provide remuneration that is linked to the performance of the Company in the future. The benefit would only be received from the Options upon the Share

price exceeding the exercise price of the Options and thereby warranting their exercise before they are lapsed.

The exercise price for 10,000,000 of the SD Options is \$0.0175 which is a 150% premium to the current market price at the time of preparing the Notice (\$0.007 as at 20 September 2023). For Mr. Dale to receive any benefit from the exercise of these SD Options, the Company's share price at the time of preparing this Notice (\$0.007 as at 20 September 2023) must increase by at least 150%.

The exercise price for 5,000,000 of the SD Options is \$0.045 which is a 542% premium to the current market price at the time of preparing the Notice (\$0.007 as at 20 September 2023). For Mr. Dale to receive any benefit from the exercise of these 5,000,000 SD Options, the Company's share price (\$0.007 as at 20 September 2023) must increase by over 542%.

Under the Company's current circumstances, the Board (with Mr. Dale abstaining) consider that the incentive-based remuneration noted above, represented by the issue of the SD Options, is a cost effective and efficient form of remuneration and incentive to provide, as opposed to the payment of cash compensation only.

In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Accordingly, this Resolution seeks the required Shareholder approval to issue 15,000,000 Options to Stephen Dale and/or his nominee under and for the purposes of ASX Listing Rule 10.11.

15.2. Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- a related party;
- a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- an Associate of a person referred to in (a) to (c) above; and
- a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Stephen Dale is a Director, he is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of Shareholders under Listing Rule 10.11.

To this end, this Resolution seeks the required Shareholder approval to issue the SD Options

to Stephen Dale under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1. Accordingly, the issue of the 15,000,000 Options the subject of this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

15.3. information required by ASX Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the proposed issue of SD Options to Stephen Dale.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Options to Mr. Dale and may then be required to renegotiate with Mr. Dale such other reasonable remuneration as may be applicable in substitution of these Options.

15.4. Chapter 2E of the Corporations Act

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

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

The proposed issue of Options (which is a type of equity security, for the purposes of Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

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

The Board (other than Stephen Dale who has a material personal interest in the Resolution) carefully considered the issue of the SD Options and formed the view that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of SD Options to Stephen Dale and/or his nominee because they form part of Mr. Dale's remuneration as an officer of the Company and the remuneration is reasonable given Mr. Dale's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of the 15,000,000 Options to Stephen Dale as the issue of the securities constitute 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

15.5. Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the SD Options to Stephen Dale is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is Stephen Dale or his nominee.
- b) Stephen Dale falls under Listing Rule 10.11.1 as a related party because he is a Director.

- c) The maximum number of securities to be issued to Mr. Dale is 15,000,000 Options.
- d) Each Option will entitle the holder to subscribe for one Share. 10,000,000 of the SD Options will be exercisable at \$0.0175 per Option and expire 15 June 2027. 5,000,000 of the SD Options will be exercisable at \$0.045 per Option and expire on 3 November 2027. One quarter of each class of the SD Options will vest upon issue and one quarter will vest each 12 months thereafter for the 3 years following the issue date.
- e) Where the holder of the Options (or, if the holder is a nominee, the person appointing that nominee) ceases to be a director or employee of the Company any unvested options will lapse at the date of cessation unless determined otherwise by the Board at its absolute discretion.
- f) The SD Options will be unlisted and otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.
- g) The SD Options the subject of this Resolution will be issued within 1 month from the date of the Meeting.
- h) The estimated value of the SD Options (Options value based on the Black Scholes methodology) as at 20 September 2023 set out in the below table:

Security	Quantity	Value per security	Total value
Options with an exercise price of \$0.0175 each	10,000,000	\$0.0037	\$37,000
Options with an exercise price of \$0.045 each	5,000,000	\$0.0027	\$13,500
Total			\$50,500

Funds will not be raised from the issue of Options as the issue is proposed to be made for nil cash consideration. Should the Options be exercised up to \$400,000 will be raised, funds raised may be used by the Company for working capital, product development and debt warehouse funding, however, the use of funds will depend on the circumstances of the Company at the time of exercise and will be determined at such time by the Board.

A summary of Mr. Dale's remuneration for the 2022 financial year and 2023 financial year is set out on pages 28 and 29 of the Company's 2023 Annual Report. His current remuneration base salary for the year is \$60,000 plus superannuation. In addition, incentive-based remuneration that includes equity components (which are the securities the subject of this Resolution) will be determined by the Board from time to time. Any equity-based remuneration is subject to Shareholder approval.

15.6. Directors' recommendation

The Directors (Stephen Dale abstaining) recommend that Shareholders vote in favour of this Resolution.

16. Resolution 16 – Approval of Issue of Options to, Howard Digby, Director of the Company

16.1. Background

The Company proposes to issue 10,000,000 Options to Non-Executive Director, Howard Digby, and/or his nominee (**HD Options**). The 10,000,000 Options will be exercisable at \$0.0175 per Option and expire 15 June 2027 and will be issued (subject to shareholder approval) as a form of incentive-based remuneration.

The issue of options to directors as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors and executives to improve the performance of the company to the commercial benefit of all shareholders. It further aligns with interests of the director with shareholders and allows the Company to remunerate, attract and retain experienced and qualified directors in a competitive labour market.

The HD Options are intended to provide remuneration that is linked to the performance of the Company in the future. The benefit would only be received from the Options upon the Share price exceeding the exercise price of the Options and thereby warranting their exercise before they are lapsed.

The exercise price for the HD Options of \$0.0175 is a 150% premium to the current market price at the time of preparing the Notice (\$0.007 as at 20 September 2023). For Mr. Digby to receive any benefit from the exercise of these HD Options, the Company's share price at the time of preparing this Notice (\$0.007 as at 20 September 2023) must increase by more than 150%.

Under the Company's current circumstances, the Board (with Mr. Digby abstaining) consider that the incentive-based remuneration noted above, represented by the issue of the HD Options, is a cost effective and efficient form of remuneration and incentive to provide, as opposed to the payment of cash compensation only.

In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Accordingly, this Resolution seeks the required Shareholder approval to issue 10,000,000 Options to Howard Digby and/or his nominee under and for the purposes of ASX Listing Rule 10.11.

16.2. Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- a related party;
- a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- a person who is, or was at any time in the 6 months before the issue or agreement, a

substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;

- an Associate of a person referred to in (a) to (c) above; and
- a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Howard Digby is a Director, he is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of Shareholders under Listing Rule 10.11.

To this end, this Resolution seeks the required Shareholder approval to issue the HD Options to Howard Digby under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1. Accordingly, the issue of the 10,000,000 Options the subject of this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

16.3. information required by ASX Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the proposed issue of HD Options to Howard Digby.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Options to Mr. Digby and may then be required to renegotiate with Mr. Digby such other reasonable remuneration as may be applicable in substitution of these Options.

16.4. Chapter 2E of the Corporations Act

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

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

The proposed issue of Options (which is a type of equity security, for the purposes of Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

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

The Board (other than Howard Digby who has a material personal interest in the Resolution) carefully considered the issue of the HD Options and formed the view that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of HD Options to Howard Digby and/or his nominee because they form part of Mr. Digby's remuneration as an officer of the Company and the remuneration is reasonable given Mr. Digby's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of the 10,000,000 Options to Howard Digby as the issue of the securities constitute 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

16.5. Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the HD Options to Howard Digby is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is Howard Digby or his nominee.
- b) Howard Digby falls under Listing Rule 10.11.1 as a related party because he is a Director.
- c) The maximum number of securities to be issued to Mr. Digby is 10,000,000 Options.
- d) Each Option will entitle the holder to subscribe for one Share. The Options will be exercisable at \$0.0175 per Option and expire 15 June 2027. 2,500,000 of the HD Options will vest upon issue. 2,500,000 of the HD Options will vest on the date that is one year after the date of issue. 2,500,000 of the HD Options will vest on the date that is two years after the date of issue. 2,500,000 of the HD Options will vest on the date that is three years after the date of issue.
- e) Where the holder of the Options (or, if the holder is a nominee, the person appointing that nominee) ceases to be a director or employee of the Company any unvested options will lapse at the date of cessation unless determined otherwise by the Board at its absolute discretion.
- f) The HD Options will be unlisted and otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.
- g) The HD Options the subject of this Resolution will be issued within 1 month from the date of the Meeting.
- h) The estimated value of the HD Options (Options value based on the Black Scholes methodology) as at 20 September 2023 set out in the below table:

Security	Quantity	Value per security	Total value
Options with an exercise price of \$0.0175 each	10,000,000	\$0.0037	\$37,000

Funds will not be raised from the issue of Options as the issue is proposed to be made for nil cash consideration. Should the Options be exercised up to \$175,000 will be raised, funds raised may be used by the Company for working capital, product development and debt warehouse funding, however, the use of funds will depend on the circumstances of the Company at the time of exercise and will be determined at such time by the Board.

A summary of Mr. Digby's remuneration for the 2022 financial year and 2023 financial year is set out on pages 28 and 29 of the Company's 2023 Annual Report. His current remuneration base salary for the year is \$60,000 plus superannuation. In addition, he receives a \$10,000 per

year fee for his role as Chair of the Remuneration Committee and incentive-based remuneration that includes equity components (which are the securities the subject of this Resolution) will be determined by the Board from time to time. Any equity-based remuneration is subject to Shareholder approval.

16.6. Directors' recommendation

The Directors (Howard Digby abstaining) recommend that Shareholders vote in favour of this Resolution.

17. Resolution 17 – Approval of Issue of Options to, David Laird, Director of the Company

17.1. Background

The Company proposes to issue 10,000,000 Options to Non-Executive Director, David Laird, and/or his nominee (**DL Options**). The 10,000,000 Options will be exercisable at \$0.0175 per Option and expire 15 June 2027 and will be issued (subject to shareholder approval) as a form of incentive-based remuneration.

The issue of options to directors as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors and executives to improve the performance of the company to the commercial benefit of all shareholders. It further aligns with interests of the director with shareholders and allows the Company to remunerate, attract and retain experienced and qualified directors in a competitive labour market.

The DL Options are intended to provide remuneration that is linked to the performance of the Company in the future. The benefit would only be received from the Options upon the Share price exceeding the exercise price of the Options and thereby warranting their exercise before they are lapsed.

The exercise price for the DL Options of \$0.0175 is a 150% premium to the current market price at the time of preparing the Notice (\$0.007 as at 20 September 2023). For Mr. Laird to receive any benefit from the exercise of these DL Options, the Company's share price (\$0.007 as at 20 September 2023) must increase by at least 150%.

Under the Company's current circumstances, the Board (with Mr. Laird abstaining) consider that the incentive-based remuneration noted above, represented by the issue of the DL Options, is a cost effective and efficient form of remuneration and incentive to provide, as opposed to the payment of cash compensation only.

In addition, the Options may provide the Company with additional funding (if the Options are exercised).

Accordingly, this Resolution seeks the required Shareholder approval to issue 10,000,000 Options to David Laird and/or his nominee under and for the purposes of ASX Listing Rule 10.11.

17.2. Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of

influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- a related party;
- a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- an Associate of a person referred to in (a) to (c) above; and
- a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As David Laird is a Director, he is a person in a position of influence for the purposes of Listing Rule 10.11. The proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of Shareholders under Listing Rule 10.11.

To this end, this Resolution seeks the required Shareholder approval to issue the DL Options to David Laird under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1. Accordingly, the issue of the 10,000,000 Options the subject of this Resolution will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

17.3. information required by ASX Listing Rule 14.1A

If this Resolution is passed, the Company will be able to proceed with the proposed issue of DL Options to David Laird.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Options to Mr. Laird and will then be required to renegotiate with Mr. Laird such other reasonable remuneration as may be applicable in substitution of these Options.

17.4. Chapter 2E of the Corporations Act

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

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

The proposed issue of Options (which is a type of equity security, for the purposes of Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related

party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

The Board (other than David Laird who has a material personal interest in the Resolution) carefully considered the issue of the DL Options and formed the view that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of DL Options to David Laird and/or his nominee because they form part of Mr. Laird's remuneration as an officer of the Company and the remuneration is reasonable given Mr. Laird's circumstances and the circumstances of the Company.

Accordingly, approval will not be sought under Chapter 2E for the issue of the 10,000,000 Options to David Laird as the issue of the securities constitute 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

17.5. Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the DL Options to David Laird is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- a) The allottee is David Laird or his nominee.
- b) David Laird falls under Listing Rule 10.11.1 as a related party because he is a Director.
- c) The maximum number of securities to be issued to Mr. Laird is 10,000,000 Options.
- d) Each Option will entitle the holder to subscribe for one Share. The Options will be exercisable at \$0.0175 per Option and expire 15 June 2027. 2,500,000 of the DL Options will vest upon issue. 2,500,000 of the DL Options will vest on the date that is one year after the date of issue. 2,500,000 of the DL Options will vest on the date that is two years after the date of issue. 2,500,000 of the DL Options will vest on the date that is three years after the date of issue.
- e) Where the holder of the Options (or, if the holder is a nominee, the person appointing that nominee) ceases to be a director or employee of the Company any unvested options will lapse at the date of cessation unless determined otherwise by the Board at its absolute discretion.
- f) The DL Options will be unlisted and otherwise be issued on the terms and conditions set out in 'Annexure A' of this Notice.
- g) The DL Options the subject of this Resolution will be issued within 1 month from the date of the Meeting.
- h) The estimated value of the DL Options (Options value based on the Black Scholes methodology) as at 20 September 2023 set out in the below table:

Security	Quantity	Value per security	Total value
Options with an exercise price of \$0.0175 each	10,000,000	\$0.0037	\$37,000

Funds will not be raised from the issue of Options as the issue is proposed to be made for nil cash consideration. Should the Options be exercised up to \$175,000 will be raised, funds raised may be used by the Company for working capital, product development and debt

warehouse funding, however, the use of funds will depend on the circumstances of the Company at the time of exercise and will be determined at such time by the Board.

Mr Laird was appointed a director in September 2023. His current remuneration base salary for the year is \$60,000 plus superannuation. In addition, incentive-based remuneration that includes equity components (which are the securities the subject of this Resolution) will be determined by the Board from time to time. Any equity-based remuneration is subject to Shareholder approval.

17.6. Directors' recommendation

The Directors (David Laird abstaining) recommend that Shareholders vote in favour of this Resolution.

18. Resolution 18 – Approval of Issue of up to 400,000,000 Shares

18.1. Background

Resolution 18 seeks Shareholder approval pursuant to Listing Rule 7.1 for a future placement of Shares, being the issue of up to 400,000,000 Shares for cash consideration at a minimum issue price of \$0.009 per Share.

The issue price per Share under the proposed placement will be determined by the Company, but in any event will be not less than \$0.009 per Share being a 28.5% premium to the market price at the time of preparing this Notice of Meeting (\$0.007 on 20 September 2023).

The amount raised by the Company will depend on the number of Shares issued which will not exceed 400,000,000 Shares and the issue price (which will be not less than \$0.009 per Share). If the Company issues the maximum number of Shares to be issued at the minimum issue price, the Company will issue 400,000,000 Shares at \$0.009 per Share raising \$3,600,000.

The maximum dilutionary impact based on the number of Shares on issue at the time of preparing this Notice of Meeting is set out in the below table:

Minimum Issue Price	\$0.009 per Share
Maximum Shares Issued	400,000,000
Funds Raised	\$3,600,000
Maximum % Dilution	9.82%

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There are currently no specific plans for the Company to issue Shares under the proposed placement and shareholder approval is being sought for the issue of Shares under the proposed placement in order to provide the Company with flexibility to issue Shares in the future without diminishing the Company's placement capacity under Listing Rule 7.1. However, whether the Company will ultimately proceed with the proposed placement will depend on whether the market conditions are conducive to a capital raising, the outcome of any future discussions with a strategic investor or sophisticated and professional investors and the Company's capital requirements.

18.2. information required by ASX Listing Rule 14.1A

If Resolution 18 is passed, it will permit the Directors to complete the issue of up to 400,000,000 Shares for cash consideration no later than 3 months after the date of the Meeting. In addition, the issue of the Shares will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

In the event that Shareholders do not approve Resolution 18 the Company will be unable to issue the Shares. If this occurs, the Company will not issue the Shares or will issue the Shares from its 15% and 10% placement capacity (if such capacity exists).

18.3. ASX Listing Rule 7.1

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

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

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

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

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

If this Resolution is not passed, and the Company proceeds with the issue, the Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1 to issue Equity Securities

without Shareholder approval over the 12 month period following the date on which the Shares are issued.

18.4. Information Required by Listing Rule 7.3

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

- a) The Shares will be issued to an investor or investors identified by the Company in the future. Investors have not yet been confirmed but will be professional or sophisticated investors or clients of Australian Financial Service License holders and/or their nominees, or any other person or entity to whom the Company is able to make an offer of equity securities.
- b) The Company does not currently anticipate that any of the participants in the proposed placement will be material persons pursuant to the ASX Listing Rules.
- c) The maximum number of Shares to be issued is 400,000,000 Shares.
- d) The Shares issued will be fully paid ordinary Shares in the capital of the Company and rank equally with all existing Shares on issue.
- e) Subject to Shareholders approval to this Resolution being obtained, the Shares under the proposed placement will be issued no later than 3 months after the date of the Meeting.
- f) The issue price per Share under the proposed placement will be determined by the Board, but in any event will be not less than \$0.009 per Share.
- g) Fees payable to any lead manager of the proposed placement (if a lead manager is appointed) have not yet been determined but will not exceed 6.5% of the value of funds raised by the Company.
- h) Any funds raised from the placement (after costs) will principally be used to fund first loss capital relating to funds drawn from its debt warehouse facility, product development and general working capital requirements.

Further information in relation to the identity of the allottee/s, number of Shares to be issued and issue price will be provided prior to the Meeting via the ASX announcement platform.

18.5. Directors' Recommendation

The Directors recommend Shareholders vote for this Resolution.

19. Resolution 19 – ASX Listing Rule 7.1A Approval of Future Issue of Securities (10% Placement Capacity)

19.1. Background

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

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

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$33 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

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

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

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

19.2. Information Required by ASX Listing Rule 7.3A

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

Period for which the approval will be valid

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

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

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

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

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

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

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

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

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

Risk of economic and voting dilution to existing ordinary Securityholders

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

There is a risk that:

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

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

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

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.0035 50% decrease in issue price	\$0.007 issue prices ^(b)	\$0.014 100% increase in issue price
"A" is the number of shares on issue, being 3,671,422,173 Shares ^(a)	10% voting dilution ^(c)	367,142,217	367,142,217	367,142,217
	Funds raised	\$ 1,284,997	\$ 2,569,995	\$5,139,991
"A" is a 50% increase in shares on issue, being 5,507,133,260 Shares	10% voting dilution ^(c)	550,713,326	550,713,326	550,713,326
	Funds raised	\$1,927,496	\$3,854,993	\$7,709,986
"A" is a 100% increase in shares on issue, being 7,342,844,346 Shares	10% voting dilution ^(c)	734,284,435	734,284,435	734,284,435
	Funds raised	\$2,569,995	\$5,139,991	\$10,279,928

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 20 September 2023.
- (b) Based on the closing price of the Company's Shares on ASX as at 20 September 2023.

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

Allocation policy for issues under Listing Rule 7.1A

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

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

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

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

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

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

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

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any) or agreement to issue	Consideration details	Allottees of the Securities
<i>Issued on 19 June 2023</i>				
326,297,911 fully paid ordinary shares	Issue of shares to sophisticated and professional investors under a placement announced by the Company on 13 June 2023. The placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of \$0.009 cents per share. Closing market price on the date of issue was \$0.009 cents, which represents a discount of 0% as the issue price was equal to the closing market price	Cash consideration of \$2,936,681 which remains on hand. Funds will be used for working capital, product development and debt warehouse funding.	Sophisticated and professional investors.

Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")	326,297,911
Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period (fully diluted)	7.83%

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

19.3. Directors' recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

20. Resolution 20 – Appointment of Auditor

20.1. Background

On 10 August 2021, Spenda Limited appointed HLB Mann Judd (WA Partnership) (“HLB”) as the Company’s auditor to fill a mid-year auditor vacancy after ASIC accepted the resignation of the Company’s previous auditor Nexia Perth Audit Services. HLB completed the Company’s 2021, 2022 and 2023 financial year audit, however, due to an inadvertent omission in the 2021 and 2022 Annual General Meeting Notice, the appointment of HLB as the Company’s auditor was not approved or ratified by shareholders at the Company’s 2021 Annual General Meeting or 2022 Annual General Meeting. As announced to ASX on 7 September 2023, the Company received court orders granted in the Supreme Court of Western Australia on 6 September 2023 confirming, among other things, the validity of the appointment of the Company’s auditor, HLB, from 1 July 2021.

The Company now seeks approval from Shareholders for the appointment of HLB as the Company’s auditor pursuant to and in accordance with section 327B of the Corporations Act. In accordance with Section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder (Adrian Floate) for HLB to be appointed as the Company’s auditor. A copy of this nomination is attached to this Explanatory Statement as Annexure D. HLB has given their written consent to act as the Company’s auditor.

20.2. Directors’ recommendation

The Directors recommend that Shareholders vote in favour of this Resolution.

21. Resolution 21: Spill Resolution (Conditional Item)

21.1. Background

This Resolution is conditional and will only be put to the Meeting if more than 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report, which will constitute as a ‘second strike’.

The Corporations Act requirements for this Resolution (**Spill Resolution**) to be put to vote are set out in Section 1.1 of the Explanatory Statement.

At the 2022 Annual General Meeting, the Company’s Remuneration Report, contained in the Company’s 2021 Annual Report, was passed by a majority less than 75%. Accordingly, this Spill Resolution is required to be included in this Notice of meeting in accordance with section 250V(1) of the Corporations Act.

The effect of this Resolution being passed is the Company will be required to hold another meeting of Shareholders within 90 days of the date of this Meeting (**Spill Meeting**) and all of the directors who were in office when the 2023 Directors’ Report was approved, other than

the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting. Any vacating Directors will cease to hold office immediately before the end of the Spill Meeting. If Resolution 1 passes on a majority of more than 75%, the Spill Resolution will be deemed withdrawn and any votes cast on the Spill Resolution prior to the withdrawal of the Spill Resolution will be treated as invalid.

21.2. Majority Required for Spill Resolution

If the Spill Resolution is put to the meeting, the Spill Resolution will be carried if it is passed by an ordinary majority of votes cast (more than 50%).

In the event that a Spill Meeting is required, the date of the Spill Meeting will be notified to Shareholders in due course and a separate notice of meeting will be distributed to Shareholders with details about those persons who will seek election as Directors of the Company at the Spill Meeting. Nominations for Director appointments at the Spill Meeting may be made in accordance with the Constitution of the Company, and may include the Directors listed below.

21.3. The Spill Meeting

If a Spill Meeting is held, pursuant to section 250V(1)(b)(i) of the Corporations Act, the Directors listed below, being the Directors who were in office when the Directors' Report for the year ended 31 December 2022 was approved, will cease to hold office immediately before the end of the Spill Meeting* (unless they resign before the Spill Meeting):

1. Peter Richards*
2. Howard Digby
3. Stephen Dale

* This assumes the director is elected/re-elected at this Meeting pursuant to Resolution 2. Each of these Directors are eligible to stand for re-election at the Spill Meeting.

A voting exclusion statement will not apply to the Spill Meeting and all Shareholders will be entitled to vote on the Director appointments at the Spill Meeting.

21.4. Board Recommendation

The Directors recommend that Shareholders vote **against** this Resolution. The Chair intends to vote all undirected proxies against this Resolution.

This Notice of Meeting has been authorised for release by the Board of Directors

GLOSSARY

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

AWST means Australian Western Standard Time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules or Listing Rules means the listing rules of ASX.

Board means the board of directors of the Company.

Company or Spenda means Spenda Limited ABN 67 099 084 143.

Constitution means the constitution of the Company.

Corporations Act means Corporations Act 2001 (Cth).

Director means a current director of the Company.

Equity Security means a Share or any security convertible into a Share including Options.

Explanatory Statement means the explanatory statement to this notice of general meeting.

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

Meeting means the 2023 Annual General Meeting of the Shareholders of the Company to be held on 3 November 2023, to which the Notice of Meeting and Explanatory Statement relate.

Notice or **Notice of Meeting** means this notice of Annual General Meeting of the Company dated 29 September 2023.

Option means an option to acquire a Share.

Resolution means a resolution referred to in the Notice.

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

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

Shareholder means a holder of Shares.

Words importing the singular include the plural and vice versa.

All references to currency are in Australian dollars

Annexure A – Terms and conditions of Unlisted Options

- (a) Each Option gives the Option holder the right to subscribe for one Share.
- (b) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option is the Exercise Price.
- (d) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- (e) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number and class of options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,

(Exercise Notice).

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 15 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
- (i) The Options are transferable subject to any transfer restrictions or escrow arrangements imposed by ASX or under applicable Australian securities laws and subject to meeting minimum quotation requirements under the ASX Listing Rules. The Company will not seek Official Quotation of the Options.
- (j) The Company will apply for quotation of all Shares issued pursuant to the exercise of Options on ASX within 15 Business Days after the date of issue of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to

Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

- (m) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

Annexure B – Terms and conditions of SPXOA Listed Options

- (a) The exercise price of each Option is \$0.0175 (**Exercise Price**).
- (b) The expiry date of each Option is 4 August 2025 (**Expiry Date**).
- (c) Each Option gives the Option holder the right to subscribe for one Share.
- (d) Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) The amount payable upon exercise of each Option is the Exercise Price.
- (f) The Options held by each Option holder may be exercised in whole or in part, and if exercised in part, multiples of 10,000 must be exercised on each occasion.
- (g) An Option holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number and class of options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,

(Exercise Notice).

- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (i) Within 15 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price (and subject to the Company obtaining any necessary prior approvals from Shareholders or regulatory bodies for the issue of the Shares), the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (j) All Shares issued upon the exercise of Options will upon issue rank pari passu in all respects with other Shares.
- (k) The Options are transferable subject to any transfer restrictions or escrow arrangements imposed by ASX or under applicable Australian securities laws and subject to meeting minimum quotation requirements under the ASX Listing Rules. The Company will seek Official Quotation of the Options, subject to satisfying the quotation conditions of ASX Listing Rules. If ASX does not grant Official Quotation of the Options, the Options will remain unlisted.
- (l) The Company will apply for quotation of all Shares issued pursuant to the exercise of Options on ASX within 15 Business Days after the date of issue of those Shares.

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- (m) If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
 - (n) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 Business Days after the issue is announced. This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
 - (o) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

Annexure C – Terms of Plan

A summary of the terms of the Plan is set out below:

- (h) **(Eligible Participant):** Eligible Participant means a person that:
- (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (i) **(Purpose):** The purpose of the Plan is to:
- (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (j) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.
- (k) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.
- On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
- (l) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (m) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (n) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (o) **(Exercise of Convertible Securities and cashless exercise):** To exercise an Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (p) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (q) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the

Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (r) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (s) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
- (t) **(Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

- (u) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (v) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

- (w) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (x) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Annexure D – Auditor Nomination Letter

20 September 2023

Auditor Nomination

To the Board of Directors of Spenda Limited (“Company”)

Pursuant to section 328B of the Corporations Act 2001, I, Adrian Floate, a director and shareholder of Spenda Limited, hereby nominate HLB Mann Judd (WA Partnership) of Level 4, 130 Stirling Street, Perth, WA, 6000 for appointment as Auditor of the Company.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Adrian Floate', is written over a horizontal line.

Adrian Floate

Director and Shareholder

Spenda Limited

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Proxy Voting Form

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **11.00am (AWST) on Wednesday, 01 November 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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