

19 April 2022

## 2022 Annual General Meeting – Important Information

Dear Shareholder

The Annual General Meeting (“the Meeting”) announced 25 March 2022, for HSC Technology Group Ltd (“the Company”) will be held as a traditional meeting in person at:

**Royal on the Park  
First Floor  
151 Alice Eagle Street,  
Brisbane Qld 4000**

with the option for Shareholders who cannot or do not wish to attend the Meeting to participate via a live webcast hosted through the Teams meeting platform, on Thursday, 19 May 2022 at 10:30 am (Brisbane time).

In light of uncertain current travel and movement restrictions due to the COVID-19 pandemic, to protect the health and wellbeing of Shareholders, employees and guests and to accommodate Shareholders, the Company will be streaming the meeting via an online meeting platform.

In accordance with the Treasury Laws Amendment (2021 Measures No. 1) Act 2021 (Cth), the Company will not be despatching physical copies of the Notice of Meeting and Explanatory Memorandum (Notice) except to those Shareholders who have registered to receive hard copies.

A copy of the Notice of Meeting, Explanatory Memorandum and Proxy Form which has been released to the ASX today has been posted to the Company’s website and can be accessed at the “ASX announcements” section of the Company’s website at:

<https://www.hsctg.com.au/investor-centre/>

### Physically Attending the Meeting

So as to facilitate undertaking of the physical Meeting in a manner that is safe, inclusive, and cost effective, the Company recommends that Shareholders consider refraining from attending the Meeting in person, and instead encourages Shareholders to participate in the Annual General Meeting by voting on the resolutions via the completion and return of a proxy form to the Company and joining the Meeting via the live meeting platform where Shareholders will be able to lodge questions online or prior to the meeting on email at: [investors@hsctg.com.au](mailto:investors@hsctg.com.au)

Shareholders are reminded that all proxy forms must be received by the Company by no later than 10.30am AEST on Tuesday 17 May 2022.

To comply with possible Federal and State government restrictions on social gatherings (and to otherwise ensure the safety of its shareholders and other participants), the Company may only be able to admit a limited number of persons to the Meeting.

There is a risk that Shareholders intending to attend the physical meeting may not be admitted, depending on the number of Shareholders who wish to physically attend. If there are any further changes to the arrangements for the Meeting, an appropriate announcement will be made to the ASX providing further information.

To assist the Company in complying with social distancing requirements, any Shareholder proposing to attend the Meeting in person must register this intention with the Company by no later than 10.30am AEST (Brisbane Time) on Tuesday 17 May 2022.

*To register to attend the meeting either call the offices of the Company on 1300 889 838 between 9:00am and 5:00pm or email the Company Secretary @ [investors@hsctg.com.au](mailto:investors@hsctg.com.au)*

### **Participating via Live Webcast**

As an alternative to physically attending the Meeting, Shareholders are encouraged to participate in the meeting via a webcast on the Microsoft Teams Meeting platform that the Company is arranging at the moment. Details of the webcast and how shareholders can gain access to the same will be provided to those participants who record their wish to attend via this manner.

Shareholders participating in the meeting in this manner will also be able to lodge questions either during the meeting or prior to the meeting by addressing them to the Company Secretary at: [investors@hsctg.com.au](mailto:investors@hsctg.com.au)

Please note however that NO live online voting will be offered as part of such webcast.

To participate in the Meeting via the webcast please email the Company Secretary to record your intention to do so, at any time from now until 5.00 pm (Brisbane Time) Tuesday 17 May 2022. The request should identify you as a Shareholder of the Company or what other capacity you propose to participate as. These requests should be emailed to the Company Secretary at the address above.

Participants will be emailed login details of the webcast between 48 – 24 hours before the start of the Meeting.

If you have recorded with the registry an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to the online voting platform where you will be able to access a copy of the Meeting Materials and lodge your vote electronically.

Accompanying this letter is the Proxy Voting form which contains details of how you can cast your vote in respect to the Resolutions, which includes as well as voting online, by mail, email or in person. The directors encourage shareholders to exercise their rights and cast their vote at this year's Annual General Meeting.

### **By Authority of the Board**



**HSC Technology Group Ltd**  
**ACN 111 823 762**

## **Notice of Annual General Meeting**

Notice is given that the Annual General Meeting will be held at:

**Time:** 10.30am AEST  
**Date:** Thursday 19 May 2022  
**Place:** Royal on the Park  
First Floor  
151 Alice Street  
Brisbane Qld 4000

**Due to current COVID-19 restrictions, persons proposing to attend the Annual General Meeting in person must contact the Company by email at [investors@hsctg.com.au](mailto:investors@hsctg.com.au) at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.**

### **Important**

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

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.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00am AEST on Tuesday, 17 May 2022.

## Business of the Meeting

### Agenda

#### 1. Financial Statements and Reports

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 31 December 2021, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

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

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

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Annual Report for the financial year ended 31 December 2021."*

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

##### **Voting Exclusion Statement:**

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

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

However, this does not apply to a vote cast in favour of Resolution 1 by;

- a person as a proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with the directions given to the proxy or attorney to vote in Resolution 1 in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chair to vote on Resolution 1 as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on Resolution 1; and
  - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

#### 3. Resolution 2 – Re-election of Director – Ramsay Carter

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

*"That, for the purposes of clause 14.2 of the Constitution, and for all other purposes, Ramsay Carter, a Director who retires by rotation, and being eligible, is re-elected as a Director."*

#### 4. Resolution 3 – Appointment of Company Auditor

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

*"That, subject to ASIC consent being received for RSM Australia Partners to resign as auditor of the Company, for the purposes of the Corporations Act and for all other purposes, BDO Audit Pty Ltd of Level 10, 12 Creek Street, Brisbane Qld 4000 having been nominated by a shareholder and consented in writing to act as auditor of the Company, be appointed as auditor with effect from the closure of this Annual General Meeting or the date of the ASIC consent, whichever is the later."*

## 5. Resolution 4 - Approval to issue Performance Rights to Graham Russell

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 20,000,000 Performance Rights to Graham Russell (or his nominee/s), 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 4 by or on behalf of Graham Russell (or his nominee/s) 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 Shares in the Company) or an associate of those persons.

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

- a person as a proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote in Resolution 4 in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chair to vote on Resolution 4 as the Chair decides even though this resolution is connected directly with the remuneration of a member of the Key Management Personnel; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on Resolution 4; and
  - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on Resolution 4 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member. However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if Resolution 4 is connected with the remuneration of a member of the Key Management Personnel.

## 6. Resolution 5 - Approval to issue Performance Rights to Leylan Neep

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 10,000,000 Performance Rights to Leylan Neep (or his nominee/s), 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 5 by or on behalf of Leylan Neep (or his nominee/s) 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 Shares in the Company) or an associate of those persons.

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

- a person as a proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote in Resolution 5 in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with a direction given to the Chair to vote on Resolution 5 as the Chair decides even though this resolution is connected directly with the remuneration of a member of the Key Management Personnel; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on Resolution 5; and
  - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on Resolution 5 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if Resolution 5 is connected with the remuneration of a member of the Key Management Personnel.

## 7. Resolution 6 - Approval to issue Performance Rights to Ramsay Carter

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

*"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 10,000,000 Performance Rights to Ramsay Carter (or his nominee/s), 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 6 by or on behalf of Ramsay Carter (or his nominee/s) 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 Shares in the Company) or an associate of those persons.

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

- a person as a proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the directions given to the proxy or attorney to vote in Resolution 6 in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with a direction given to the Chair to vote on Resolution 6 as the Chair decides even though this resolution is connected directly with the remuneration of a member of the Key Management Personnel; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on Resolution 6; and
  - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the Corporations Act, a vote on Resolution 4 must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member. However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and:

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chair and the appointment does not specify how the Chair is to vote but expressly authorises the Chair to exercise the proxy even if Resolution 6 is connected with the remuneration of a member of the Key Management Personnel.

## 8. Resolution 7 – Approval of 10% Issuance Capacity

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

*"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities totalling 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."*

### **Voting Exclusion Statement:**

The Company will disregard any votes cast in favour on this special resolution by any person who may participate in the issue of Equity Securities the subject of this Resolution and a person who might obtain a benefit except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed (Participating Party), and any associate of the Participating Party.

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

- a person as a proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with the directions given to the proxy or attorney to vote in Resolution 7 in that way; or
- the Chair as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with a direction given to the Chair to vote on Resolution 7 as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on Resolution 7; and
- (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

**IMPORATANT NOTE:** At the date of this Notice, it is not known who will participate in the proposed issue of Equity Securities the subject of this special resolution and the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the equity securities. Therefore, no existing Shareholder votes will be excluded under the voting exclusion in this Notice. You may be liable for breach of the voting restrictions in the Corporations Act if you cast a vote that the Company disregards.

**Dated: 19 April 2022**

**By Order of the Board**



**Stephen Rodgers  
Company Secretary  
HSC Technology Group Ltd**

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## Voting Exclusion Statements

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of that Resolution by:

- (a) a person as 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 of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- (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 to the holder to vote in that way.

## Attendance and voting in person

**Due to current government guidelines regarding COVID-19, persons proposing to attend the Annual General Meeting in person must contact the Company by email at [investors@hsctg.com.au](mailto:investors@hsctg.com.au), at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.**

## Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Proxy Forms must be received by the Company no later than 10:00am (AEST) on Tuesday, 17 May 2022, being at least 48 hours before the Meeting.

**Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the either of the Company Secretaries on Ph: 1300 711 979 or via email at [investors@hsctg.com.au](mailto:investors@hsctg.com.au) .**



## Explanatory Statement

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

### 1. Annual Report

Shareholders attending the meeting will be offered the opportunity to discuss the Annual Report at the Meeting. Those not attending may raise any questions in relation to the Annual Report via email at [investors@hsctg.com.au](mailto:investors@hsctg.com.au). The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so.

The Annual Report is available on the Company's website at <https://www.hsctg.com.au/>

There is no requirement for Shareholders to approve the Annual Report. However, the Chair will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Annual Report and the management of the Company.

Shareholders are also entitled to put forward written questions to the Company's auditor, if the question is relevant to the content of the Auditor's Report or the conduct of the auditor as otherwise permitted by the Corporations Act.

Questions must be submitted by email: [investors@hsctg.com.au](mailto:investors@hsctg.com.au)

Questions must be received by no later than 5:00pm AEST Tuesday, 17 May 2022.

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

#### 2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the Directors and senior management of the company. The remuneration report is part of the Directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

#### 2.2 Voting consequences

The vote on Resolution 1 is advisory only and does not bind the Company or its Directors. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company's future remuneration policies and practices.

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

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

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

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

### **2.3 Previous voting results**

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

## **3. Resolution 2 – Re-election of Director – Ramsay Carter**

### **3.1 General**

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Ramsay Carter, having been appointed as a Director by other Directors on 16 June 2020 in accordance with the Constitution, will retire in accordance with the Constitution and being eligible, seeks election from Shareholders.

### **3.2 Qualifications and other material directorships**

Mr. Carter brings over 20 years' experience in global investment banking holding senior positions in Australia, Tokyo, Hong Kong and Singapore. He has thorough knowledge and governance over multiple jurisdictions throughout his career, in a highly regulated industry, especially within Asia Pacific, UK and North America.

Mr Carter is a proven leader with particular focus on clear lines of communication and accountability, aligned with interests and creating an environment of respect, diversity and challenge. Mr Carter has a Bachelor of Laws and International Business and is a member of AICD.

Mr Ramsay is not currently a director of any other ASX listed companies.

### **3.3 Independence**

If elected the board considers that Mr Carter will be an independent director as he satisfies the criteria for assessing the independence of a director as prescribed by the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4<sup>th</sup> Edition.

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### **3.4 Other material information**

The Company has conducted appropriate checks into Mr Ramsay's background and experience and has satisfied itself that he is an appropriate candidate to put forward for election as a Director.

### **3.5 Board recommendation**

The Board supports the election of Ms Carter and recommends that Shareholders vote in favour of Resolution 2 because the Board considers that the experience, expertise and skills of Mr Carter will assist the Board in fulfilling its responsibilities and do and will continue to assist the Company in achieving growth and delivering value to Shareholders.

## **4. Resolution 3 – Appointment of Company Auditor**

### **4.1 General**

On 11 April 2022 the Company's current auditor, RSM Australia Partners sought consent from ASIC to resign as auditor of the Company pursuant to section 329(5) of the Corporations Act. As of the date of this Notice of Meeting, ASIC consent for the resignation has not been received.

Accordingly, this Resolution, which contemplates the appointment of a new auditor, is subject to ASIC consent being obtained before the date of this Meeting.

### **4.2 Effect of Resolution**

RSM Australia Partners have advised that:

- All matters that require reporting to the ASIC under all relevant legislation have been reported to ASIC, and that any further such matters that come to their attention before the resignation will be reported to ASIC;
- They do not have nor are they aware of any disagreements with the Company's management;
- They are not aware of any evidence of opinion shopping by the Company; and
- They are not aware of any circumstances or matters connected with RSM Australia Partners ceasing to hold office which should be brought to the attention of ASIC.

Subject to ASIC consenting to the resignation of RSM Australia Partners and RSM Australia Partners submitting a formal resignation to the Company, it is proposed that the Company appoint BDO Audit Pty Ltd as auditors of the Company.

Pursuant to section 328B of the Corporations Act, the Company received a valid notice of nomination which nominated BDO Audit Pty Ltd to be appointed as the new auditor of the Company. A copy of the notice of nomination is set out in Annexure "A" of this Notice of Meeting.

BDO Audit Pty Ltd has provided the Company its written consent to act, subject to ASIC consenting to the resignation of RSM Australia Partners and this Resolution being approved by Shareholders, as the Company's auditor in accordance with section 328A(1) of the Corporations Act.

### **4.3 Board recommendation**

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote FOR of this Resolution.

## 5. Resolution 4 – Approval to issue Performance Rights to Graham Russell

### 5.1 General

The Company proposes to issue to Mr Graham Russell (or his nominee/s), 20,000,000 Performance Rights as incentivised remuneration, as follows:

- (a) 4,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Russell continuously remaining an employee of the Company or a wholly owned subsidiary of it until 31 December 2022 (**Tranche 1**);
- (b) 8,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Russell continuously remaining an employee of the Company or a wholly owned subsidiary of it until 31 December 2023 (**Tranche 2**);
- (c) 8,000,000 Performance Rights that vest and become exercisable into Shares upon the 5-day volume weighted average price (**VWAP**) of Shares being at least \$0.03 per Share on or before 31 December 2024 (**Tranche 3**);
- (d) Mr Russell continues to remain a Director the Company as at the date the vesting criteria is satisfied;
- (e) The Tranche 1 Performance Rights will be capable of exercise up to and including the 31 December 2025, provided the vesting criteria has been satisfied on or before 31 December 2022;
- (f) The Tranche 2 Performance Rights will be capable of exercise up to and including the 31 December 2026, provided the vesting criteria has been satisfied on or before 31 December 2023; and
- (g) The Tranche 3 Performance Rights will be capable of exercise up to and including the 31 May 2027, provided the vesting criteria has been satisfied on or before 31 December 2024.

### 5.2 Chapter 2E of the Corporations Act

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 issue of the Performance Rights constitutes giving a financial benefit, and Mr Russell is a related party of the Company by virtue of being the Managing Director.

The Directors (other than Mr Russell, 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 issue of the Performance Rights because the issue the Performance Rights to Mr Russell is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis to secure his retention as an employee.

### 5.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or 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; or
- (e) person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders

unless it obtains the approval of its shareholders.

The issue of the Performance Rights the subject of this Resolution 4 falls within ASX Listing Rule 10.11.1 (as set out in (a) above) and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.11.

This Resolution seeks the required Shareholder approval for the issue a total of 20,000,000 Performance Rights to Mr Russell (or his nominee/s) as incentivised remuneration, under and for the purposes of Listing Rule 10.11. If this Resolution is passed, the Company will be able to proceed with the issue of the Performance Rights the subject of this Resolution. If this Resolution is not passed, the Company will not be able to proceed with the issue of the Performance Rights the subject of this Resolution and will instead consider alternative remuneration options for Mr Russell.

### 5.4 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 this Resolution:

- (a) the Performance Rights will be issued to Graham Russell (or his nominee/s);
- (b) Mr Russell is a Director and therefore a related part of the Company under Listing Rule 10.11.1;
- (c) the number of Performance Rights to be issued is 20,000,000;
- (d) the Performance Rights proposed to be issued are on the terms and conditions set out in Schedule 1;
- (e) the Performance Rights 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) and it is intended that issue of all of the Performance Rights will occur on the same date;
- (f) the underlying shares attaching to the Performance Rights will be issued for \$0.0001 per Performance Right for a total of \$2,000 payable on the application for subscription for the shares, which funds will be used for working capital;
- (g) the Performance Rights are being issued as part of Mr Russell's remuneration package and

in compensation and an incentive for future performance and service to be provided by Mr Russell to the Company in his continuing role, as Managing Director, which position he was appointed to 3 December 2019.

- (h) the Company has chosen to issue Performance Rights as part of Mr Russell's remuneration package in order to secure his continuity of service and provide a performance linked incentive component, and to motivate and reward his performance in the achievement of the vesting conditions within the relevant time periods. This is also considered a cost-effective remuneration practice, and is considered reasonable given the vesting conditions will align the interests of Mr Russell with those of Shareholders;
- (i) The total cash component of Mr Russell's current annual remuneration package is \$170,000 per annum exclusive of the superannuation guarantee levy (\$17,000). The estimated total value of the performance rights<sup>(+)</sup> are \$208,087 to be accrued as a non-cash expense of \$103,654 in FY22, \$84,091 in FY23 and \$20,343 in FY24.

(+) 20,00,000 Performance Rights the subject of this Resolution, are valued based on an assumed Share price of \$0.13, using a risk-free rate of 1.5% and a volatility rate of 80% (using a Black-Scholes valuation model);

- (j) the Performance Rights are being issued as part of Mr Russell's remuneration package. The Company has chosen to issue Performance Rights as part of Mr Russell's remuneration package in order to secure his long term retention in a competitive employment market as well as to provide a performance linked incentive component and to motivate and reward his continued loyalty and achievement of the vesting conditions within the relevant time periods.
- (k) the offer of Performance Rights is also considered a cost-effective remuneration practice, and is considered reasonable given that the Board considers that Mr Russell's cash remuneration is not commensurate with equivalent roles, with the vesting conditions aligning the interests of Mr Russell with those of Shareholders;
- (l) the Performance Rights are not being issued under an agreement.
- (m) a voting exclusion statement is included in the Notice of Meeting.

In accordance with Listing Rule 7.2 Exception 14 approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Performance Rights to Mr Russell (or his nominee/s) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

## 5.5 Board recommendation

The Directors (excluding Mr Graham Russell) recommend that Shareholders vote in favour of Resolution 4.

## 6. Resolution 5 – Approval to issue Performance Rights to Leylan Neep

### 6.1 General

The Company proposes to issue to Mr Leylan Neep (or his nominee/s), 10,000,000 Performance Rights as incentivised remuneration, as follows:

- (a) 3,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Neep continuously remaining a Director of the Company until 31 December 2022 (**Tranche 1**);

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- For personal use only
- (b) 3,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Neep continuously remaining a Director of the Company until 31 December 2023 (**Tranche 2**);
  - (c) 4,000,000 Performance Rights that vest and become exercisable into Shares upon the 5-day volume weighted average price (**VWAP**) of Shares being at least \$0.03 per Share on or before 31 December 2024 (**Tranche 3**);
  - (d) Mr Neep continues to remain a Director the Company as at the date the vesting criteria is satisfied;
  - (e) The Tranche 1 Performance Rights will be capable of exercise up to and including the 31 December 2025, provided the vesting criteria has been satisfied on or before 31 December 2022;
  - (f) The Tranche 2 Performance Rights will be capable of exercise up to and including the 31 December 2026, provided the vesting criteria has been satisfied on or before 31 December 2023; and
  - (g) The Tranche 3 Performance Rights will be capable of exercise up to and including the 31 May 2027, provided the vesting criteria has been satisfied on or before 31 December 2024.

## 6.2 Chapter 2E of the Corporations Act

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 issue of the Performance Rights constitutes giving a financial benefit, and Mr Neep is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Neep, 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 issue of the Performance Rights because the issue the Performance Rights to Mr Neep is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis to secure his retention as a Director.

## 6.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or 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; or
- (e) person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders

unless it obtains the approval of its shareholders.

The issue of the Performance Rights the subject of this Resolution 5 falls within ASX Listing Rule 10.11.1 (as set out in (a) above) and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.11.

This Resolution seeks the required Shareholder approval for the issue a total of 10,000,000 Performance Rights to Mr Neep (or his nominee/s) as incentivised remuneration, under and for the purposes of Listing Rule 10.11. If this Resolution is passed, the Company will be able to proceed with the issue of the Performance Rights the subject of this Resolution. If this Resolution is not passed, the Company will not be able to proceed with the issue of the Performance Rights the subject of this Resolution and will instead consider alternative remuneration options for Mr Neep.

#### **6.4 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 this Resolution:

- (a) the Performance Rights will be issued to Leylan Neep (or his nominee/s);
- (b) Mr Neep is a Director and therefore a related part of the Company under Listing Rule 10.11.1;
- (c) the number of Performance Rights to be issued is 10,000,000;
- (d) the Performance Rights proposed to be issued are on the terms and conditions set out in Schedule 2;
- (e) the Performance Rights 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) and it is intended that issue of all of the Performance Rights will occur on the same date;
- (f) the underlying shares attaching to the Performance Rights will be issued for \$0.0001 per Performance Right for a total of \$1,000 payable on the application for subscription for the shares, which funds will be used for working capital;
- (g) the Performance Rights are being issued as part of Mr Neep's remuneration package and in compensation and an incentive for future performance and service to be provided by Mr Neep to the Company in his roles of interim Executive Chairman of the Board and Chair of the Nomination & Remuneration Committee.
- (h) the Company has chosen to issue Performance Rights as part of Mr Neep's remuneration package in order to secure his continuity of service and provide a performance linked incentive component, and to motivate and reward his performance in the achievement of the vesting conditions within the relevant time periods. This is also considered a cost-effective remuneration practice, and is considered reasonable given the vesting conditions linked to the share price of the Company will align the interests of Mr Neep with those of Shareholders;



- (i) The total cash component of Mr Neep's current annual remuneration package is \$150,000 per annum inclusive of any amount on account of the superannuation guarantee levy. The estimated total value of the three tranches of performance rights<sup>(+)</sup> are \$104,042 to be accrued as a non-cash expense of \$59,794 in FY22, \$34,077 in FY23 and \$10,171 in FY24.

(+) 10,000,000 Performance Rights the subject of this Resolution, are valued based on an assumed Share price of \$0.13, using a risk-free rate of 1.5% and a volatility rate of 80% (using a Black-Scholes valuation model);

- (j) the Performance Rights are being issued as part of Mr Neep's remuneration package. The Company has chosen to issue Performance Rights as part of Mr Neep's remuneration package in order to secure his long term retention and retain the industry knowledge and expertise that he has acquired as a Director over the past 18 months as well as to provide a performance linked incentive component and to motivate and reward his continued loyalty and achievement of the vesting conditions within the relevant time periods.
- (k) the offer of Performance Rights is also considered a cost-effective remuneration practice, and is considered reasonable given that the Board considers that Mr Neep's cash remuneration is not commensurate with equivalent roles for someone with Mr Neep's experience and qualifications, with the vesting conditions aligning the interests of Mr Neep's with those of Shareholders;
- (l) the Performance Rights are not being issued under an agreement.
- (m) a voting exclusion statement is included in the Notice of Meeting.

In accordance with Listing Rule 7.2 Exception 14 approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Performance Rights to Mr Neep (or his nominee/s) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

## 6.5 Board recommendation

The Directors (excluding Mr Leylan Neep) recommend that Shareholders vote in favour of Resolution 5.

## 7. Resolution 6 – Approval to issue Performance Rights to Ramsay Carter

### 7.1 General

The Company proposes to issue to Mr Ramsay Carter (or his nominee/s), 10,000,000 Performance Rights as incentivised remuneration, as follows:

- (a) 3,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Carter continuously remaining a Director of the Company until 31 December 2022 (**Tranche 1**);
- (b) 3,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Carter continuously remaining a Director of the Company until 31 December 2023 (**Tranche 2**);
- (c) 4,000,000 Performance Rights that vest and become exercisable into Shares upon the 5-day volume weighted average price (**VWAP**) of Shares being at least \$0.03 per Share on or before 31 December 2024 (**Tranche 3**);
- (d) Mr Carter continues to remain a Director the Company as at the date the vesting criteria is satisfied;

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- (e) The Tranche 1 Performance Rights will be capable of exercise up to and including the 31 December 2025, provided the vesting criteria has been satisfied on or before 31 December 2022;
  - (f) The Tranche 2 Performance Rights will be capable of exercise up to and including the 31 December 2026, provided the vesting criteria has been satisfied on or before 31 December 2023; and
  - (g) The Tranche 3 Performance Rights will be capable of exercise up to and including the 31 May 2027, provided the vesting criteria has been satisfied on or before 31 December 2024.

## 7.2 Chapter 2E of the Corporations Act

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 issue of the Performance Rights constitutes giving a financial benefit, and Mr Carter is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Carter, 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 issue of the Performance Rights because the issue of the Performance Rights to Mr Carter is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis to secure his retention as a Director.

## 7.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in ASX Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue or 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; or
- (e) person whose relationship with the company or a person referred to in (a) to (d) above is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders

unless it obtains the approval of its shareholders.

The issue of the Performance Rights the subject of this Resolution 6 falls within ASX Listing Rule 10.11.1 (as set out in (a) above) and does not fall within any of the exceptions in ASX Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 10.11.

This Resolution seeks the required Shareholder approval for the issue a total of 10,000,000 Performance Rights to Mr Carter (or his nominee/s) as incentivised remuneration, under and for the purposes of Listing Rule 10.11. If this Resolution is passed, the Company will be able to proceed with the issue of the Performance Rights the subject of this Resolution. If this Resolution is not passed, the Company will not be able to proceed with the issue of the Performance Rights the subject of this Resolution and will instead consider alternative remuneration options for Mr Carter.

#### **7.4 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 this Resolution:

- (a) the Performance Rights will be issued to Ramsay Carter (or his nominee/s);
- (b) Mr Ramsay Carter is a Director and therefore a related part of the Company under Listing Rule 10.11.1;
- (c) the number of Performance Rights to be issued is 10,000,000;
- (d) the Performance Rights proposed to be issued are on the terms and conditions set out in Schedule 2;
- (e) the Performance Rights 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) and it is intended that issue of all of the Performance Rights will occur on the same date;
- (f) the underlying shares attaching to the Performance Rights will be issued for \$0.0001 per Performance Right for a total of \$1,000 payable on the application for subscription for the shares, which funds will be used for working capital;
- (g) the Performance Rights are being issued as part of Mr Carter's remuneration package and in compensation and an incentive for future performance and service to be provided by Mr Carter to the Company in his roles as Non-Executive Director and Chair of the Audit & Risk Committee.
- (h) the Company has chosen to issue Performance Rights as part of Mr Carter's remuneration package in order to secure his continuity of service and provide a performance linked incentive component, and to motivate and reward his performance in the achievement of the vesting conditions within the relevant time periods. This is also considered a cost-effective remuneration practice, and is considered reasonable given the vesting conditions linked to the share price of the Company will align the interests of Mr Carter with those of Shareholders;
- (i) The total cash component of Mr Carter's current annual remuneration package is [\$50,000] per annum inclusive of any amount on account of the superannuation guarantee levy. The estimated total value of the three tranches of performance rights<sup>(+)</sup> are \$104,042 to be accrued as a non-cash expense of \$59,794 in FY22, \$34,077 in FY23 and \$10,171 in FY24.

(+) 10,000,000 Performance Rights the subject of this Resolution, are valued based on an assumed Share price of \$0.13, using a risk-free rate of 1.5% and a volatility rate of 80% (using a Black-Scholes valuation model);

- (j) the Performance Rights are being issued as part of Mr Carter's remuneration package. The

Company has chosen to issue Performance Rights as part of Mr Carter's remuneration package in order to secure his long term retention and retain the industry knowledge and expertise that he has acquired as a Director over the past 2 years as well as to provide a performance linked incentive component and to motivate and reward his continued loyalty and achievement of the vesting conditions within the relevant time periods.

- (k) the offer of Performance Rights is also considered a cost-effective remuneration practice, and is considered reasonable given that the Board considers that the directors fees paid to Mr Carter is not commensurate with equivalent roles for someone with Mr Carters experience and qualifications, with the vesting conditions aligning the interests of Mr Carter's with those of Shareholders;
- (l) the Performance Rights are not being issued under an agreement.
- (m) a voting exclusion statement is included in the Notice of Meeting.

In accordance with Listing Rule 7.2 Exception 14 approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Performance Rights as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Performance Rights to Mr Carter (or his nominee/s) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

## 7.5 Board recommendation

The Directors (excluding Mr Ramsay Carter) recommend that Shareholders vote in favour of Resolution 6.

## 8. Resolution 7 – Approval of 10% Issuance Capacity

### 8.1 General

ASX Listing Rule 7.1A enables eligible entities to seek the approval of the holders of its ordinary securities to issue Equity Securities up to 10% of its issued share capital (10% Placement Facility). The s10% Placement Facility is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company as at 1 April 2022 had a market capitalisation of \$24.3 million and is not included in the S&P/ASX 3000 Index and as such is an eligible entity for these purposes.

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 the 12 month period immediately preceding the date of the issue or agreement too issue, 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%.

Resolution 7 seeks Shareholder approval by way of 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 (**Additional Issuance Capacity**).

If Resolution 7 is not passed, the Company will not be able to access the Additional Issuance Capacity and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The Board considers it is in the Company's best interests to have the opportunity to take advantage of the flexibility to issue additional securities provided under ASX Listing Rule 7.1A. As at the date of this Notice, no decision has been made by the Board to undertake any issue of securities under the Additional Issuance Capacity if Shareholders approve Resolution 7. The Board unanimously recommend that Shareholders vote in favour of Resolution 7.

The information below provides more background on ASX Listing Rule 7.1A and the disclosure required by ASX Listing Rule 7.3A.

## 8.2 Description of ASX Listing Rule 7.1A

### (a) **Securities which may be issued under the Additional Issuance Capacity**

Under the Additional Issuance Capacity, the Company must issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date of this Notice, the Company has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX Code: HSC).

### (b) **Minimum issue price**

Equity Securities issued under the Additional Issuance Capacity must be issued for cash consideration per security which is not less than 75% of the volume weighted average market price for the securities in that class, calculated over the 15 ASX trading days on which trades of securities in that class were recorded immediately before:

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

The Company will disclose this information when Equity Securities are issued under the Additional Issuance Capacity.

### (c) **Period for which approval will be valid**

Shareholder approval of the Additional Issuance Capacity will be valid for the period commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) the date that is 12 months after the date of the Meeting; or
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) if the Company receives Shareholder approval for a proposed transaction under ASX Listing Rule 11.1.2 (significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking), the time and date of that approval,

**(Additional Issuance Period).**

### (d) **Dilution risks**

If Equity Securities are issued under the Additional Issuance Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

- (i) the market price for Equity Securities in the class of securities issued under the Additional Issuance Capacity may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A (that is, the date of the Meeting, if Resolution 7 is approved); and

- (ii) the Equity Securities may be issued under the Additional Issuance Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the potential dilution of existing Shareholders on the basis of the market price of Shares and the number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2, both as at 1 April 2022.

The below table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at 1 April 2022. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 1 April 2022.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.0055 50% decrease in Issue Price	\$0.011 Issue Price	\$0.0165 50% increase in Issue Price
2,022,739,337 (Current Variable A)	<b>Shares issued - 10% voting dilution</b>	202,273,933 Shares	202,273,933 Shares	202,273,933 Shares
	<b>Funds Raised</b>	\$1,112,506	\$2,225,013	\$3,337,519.89
3,034,109,005 (50% increase in Variable A)	<b>Shares issued - 10% voting dilution</b>	303,410,905 Shares	303,410,905 Shares	303,410,905 Shares
	<b>Funds Raised</b>	\$1,668,759	\$3,337,519	\$5,006,290
4,045,478,674 (100% increase in Variable A)	<b>Shares issued - 10% voting dilution</b>	404,547,867 Shares	404,547,867 Shares	404,547,867 Shares
	<b>Funds Raised</b>	\$2,250,013	\$4,450,026	\$6,675,039

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

The table above uses the following assumptions:

- There are currently 2,022,739,337 Shares on issue.
- The issue price set out above is the closing price of the Shares on the ASX on 1 April 2022. This price is indicative only and does not consider the 25% discount to market that these shares may be issued at.
- The Company issues the maximum possible number of Equity Securities under the Additional Issuance Capacity.
- The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
- The issue of Equity Securities under the Additional Issuance Capacity consists only of Shares and the consideration provided for those Shares is cash. It is assumed that no Options are exercised or Performance Rights are converted into Shares before the date of issue of the Equity Securities.

6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(e) **Purpose of issues under Additional Issuance Capacity**

The Company may issue Equity Securities under the Additional Issuance Capacity to raise cash to fund the following:

- (i) general working capital expenses;
- (ii) activities associated with its current business;
- (iii) repayment of debt; or
- (iv) the acquisition of new assets and investments (including any expenses associated with such an acquisition).

The Company will comply with the disclosure requirements of ASX Listing Rule 7.1A.4 and 3.10.5A on issue of any Equity Securities pursuant to the approval sought by Resolution 7.

(f) **Allocation policy under Additional Issuance Capacity**

The Company's allocation policy and the identity of the recipients of Equity Securities issued under the Additional Issuance Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

No decision has been made in relation to an issue of Equity Securities under the Additional Issuance Capacity, including whether the Company will engage with new investors or existing Shareholders, and if so the identities of any such persons.

However, when determining the allocation policy and the identity of the recipients, the Company will have regard to the following considerations:

- (i) prevailing market conditions;
- (ii) the purpose for the issue of the Equity Securities;
- (iii) the financial situation and solvency of the Company;
- (iv) impacts of the placement on control;
- (v) other methods of raising capital; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Recipients may include existing Shareholders or new investors, but not persons who are related parties or associates of related parties of the Company. If the issue is made in connection with the acquisition of assets, the recipients may be the sellers of those assets.

(g) **Previous issues under the Additional Issuance Capacity**

The Company has not issued or agreed to issue any Equity Securities under a previous Additional Issuance Capacity in the 12 months prior to the date of the Meeting.

### **8.3 Voting exclusion**

Notwithstanding that at the time of dispatching this Notice, the Company is not proposing to make an issue of Equity Securities under the Additional Issuance Capacity, and a voting exclusion statement has nevertheless been included this Notice of Meeting.

### **8.4 Board recommendation**

The Directors consider that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under ASX Listing Rule 7.1A in the next 12 months (without further Shareholder approval), should such an issue be required.

Accordingly, each of the Directors recommends that Shareholders vote in favour of Resolution 7.



## Glossary

\$ means Australian dollars.

**Additional Issuance Capacity** has the meaning given in Section 8.1.

**Annual General Meeting** or **Meeting** means the annual general meeting of the Company convened by this Notice.

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 31 December 2021.

**ASIC** means the Australian Securities & Investments Commission.

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

**ASX Listing Rules** means the Listing Rules of ASX.

**Auditor's Report** means the auditor's report on the Financial Report

**AEST** means Australian Eastern Standard Time

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

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

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

**Company** means HSC Technology Group Ltd (ACN 111 823 762).

**Constitution** means the constitution of the Company.

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

**Directors** means the current directors of the Company.

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, Performance Right, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Performance Rights** means performance rights in the Company.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Director's Report.

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

**Section** means a section of the Explanatory Statement.

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

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

**Variable A** means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

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## Schedule 1

### Terms and Conditions of Performance Rights to be issued to Graham Russell, under Resolution 4

#### (a) Grant Price

Each Performance Right will be granted by the Company for \$0.0001 per Performance Right.

#### (b) Rights

- (i) The Performance Rights do not carry any voting rights in the Company.
- (ii) The Performance Rights confer on the holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders.
- (iii) Holders of Performance Rights have the right to attend general meetings of shareholders.
- (iv) The Performance Rights do not entitle the holder to any dividends.
- (v) The Performance Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (vi) The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) The Performance Rights do not confer the right to participate in new issues of securities such as entitlement issues.
- (viii) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had been exercised before the record date for the bonus issue. A Performance Right otherwise does not confer the right to a change in the number of underlying securities over which the Performance Right can be exercised.
- (ix) If at any time the issued capital of the Company is reorganised, the Performance Rights are to be treated in the manner required to comply with the Listing Rules. In addition, the VWAP within each Vesting Condition will be adjusted so that the Holder does not receive a benefit as a result of the reorganisation.
- (x) The Performance Rights give the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

#### (c) Exercise

- (i) Subject to clause (ii) below, a class of Performance Rights (**Class**) immediately vests and becomes exercisable by the holder into Shares (**Conversion Shares**) on a one for one basis

upon and subject to the Company providing written notice (**Vesting Notice**) to the holder that the Company has satisfied the relevant condition set out below (**Vesting Condition**):

- (a) 4,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Russell continuously remaining an employee of the Company or a wholly owned subsidiary of it until 31 December 2022;
  - (b) 8,000,000 Performance Rights that vest and become exercisable into Shares upon Mr Russell continuously remaining an employee of the Company or a wholly owned subsidiary of it until 31 December 2023;
  - (c) 8,000,000 Performance Rights that vest and become exercisable into Shares upon the 5-day volume weighted average price (**VWAP**) of Shares being at least \$0.03 per Share on or before 31 December 2024;
  - (d) Mr Russell continues to remain a Director the Company as at the date the vesting criteria is satisfied;
- (ii) In order to exercise a Class into Conversion Shares following receipt of a Vesting Notice, the holder must provide written notice (**Exercise Notice**) to the Company of its election to exercise the Class into the Conversion Shares. A Class may only be exercised into Conversion Shares once.
- (iii) Despite any other provision, the exercise of any Performance Rights is subject to the Company obtaining any required shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If exercise of all or part of the Performance Rights would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not at a later date result in a contravention of section 606(1) of the Corporations Act. The holder must give prior written notice to the Company if it considers that the exercise of all or part of its Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.
- (iv) The Company must issue Conversion Shares in the name of the holder (or its nominee) within 7 days of receiving a valid Exercise Notice.
- (v) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.
- (vi) The Performance Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, if the Company is listed on the ASX at the relevant time, the Company must apply for quotation of any Conversion

Shares on the ASX in accordance with the Listing Rules, subject always to the requirements of the Listing Rules, including those relating to escrow.

**(d) Expiry**

- (i) Despite any other provision, any Performance Rights which have not been validly exercised into Conversion Shares on or before the earlier of:
- A. the date that the holder ceases to be engaged for services by the Company in any capacity; and
  - B. the date that is 5 years from the date that the Performance Rights are issued,
- will automatically be deemed to be cancelled by the Company for nil cash consideration.

**(e) Transferability**

The Performance Rights are not transferable.

**(f) Compliance with Corporations Act, Listing Rules and Constitution**

- (i) Despite anything else contained in these terms and conditions, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (ii) Nothing contained in these terms and conditions prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (iii) If the Corporations Act, Listing Rules or Constitution conflict with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.
- (iv) The terms of the Performance Rights may be amended as necessary by the directors of the Company in order to comply with the Listing Rules, or any directions of ASX regarding the terms.

**(g) Change of Control Event**

- (i) A change of control event (**Change of Control Event**) occurs where:
- A. an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
  - B. the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.
- (ii) If a Change of Control Event occurs, the Company may in its sole and absolute discretion, and subject to the Listing Rules and clause (g)(iii) below, determine how unvested Performance Rights will be treated, including but not limited to determining that unvested Performance Rights (or a portion of unvested Performance Rights) will become immediately exercisable into

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Conversion Shares with such exercise deemed to have taken place immediately prior to the effective date of the Change of Control Event.

- (iii) The total number of Conversion Shares issued under clause (c) above must not exceed 10% of the issued ordinary capital of the Company as at the date of exercise. The conversion will be completed on a pro rata basis across each class of Performance Rights then on issue as well as on a pro rata basis for each Holder. Performance Rights that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.
- (iv) Whether or not the Company determines to accelerate the vesting of any Performance Rights, the Company must give written notice of any proposed Change of Control Event to the holder.

## Schedule 2 – Terms and Conditions of Performance Rights to be issued to Leylan Neep and Ramsay Carter under Resolutions 5 & 6

### (h) Grant Price

Each Performance Right will be granted by the Company for \$0.0001 per Performance Right.

### (i) Rights

- (i) The Performance Rights do not carry any voting rights in the Company.
- (ii) The Performance Rights confer on the holder the right to receive notices of general meetings and financial reports and accounts of the Company that are circulated to shareholders.
- (iii) Holders of Performance Rights have the right to attend general meetings of shareholders.
- (iv) The Performance Rights do not entitle the holder to any dividends.
- (v) The Performance Rights do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company.
- (vi) The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (vii) The Performance Rights do not confer the right to participate in new issues of securities such as entitlement issues.
- (viii) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares which must be issued on the exercise of a Performance Right will be increased by the number of Shares which the holder would have received if the Performance Right had been exercised before the record date for the bonus issue. A Performance Right otherwise does not confer the right to a change in the number of underlying securities over which the Performance Right can be exercised.
- (ix) If at any time the issued capital of the Company is reorganised, the Performance Rights are to be treated in the manner required to comply with the Listing Rules. In addition, the VWAP within each Vesting Condition will be adjusted so that the Holder does not receive a benefit as a result of the reorganisation.
- (x) The Performance Rights give the holder no rights other than those expressly provided by these terms and conditions and those provided at law where such rights at law cannot be excluded by these terms and conditions.

### (j) Exercise

- (i) Subject to clause (ii) below, a class of Performance Rights (**Class**) immediately vests and becomes exercisable by the holder into Shares (**Conversion Shares**) on a one for one basis

upon and subject to the Company providing written notice (**Vesting Notice**) to the holder that the Company has satisfied the relevant condition set out below (**Vesting Condition**):

- A. 3,000,000 Performance Rights that vest and become exercisable into Shares upon the recipient continuously remaining a Director of the Company until 31 December 2022;
- B. 3,000,000 Performance Rights that vest and become exercisable into Shares upon the recipient continuously remaining a Director of the Company until 31 December 2023;
- C. 4,000,000 Performance Rights that vest and become exercisable into Shares upon the 5-day volume weighted average price (VWAP) of Shares being at least \$0.03 per Share on or before 31 December 2024 (Tranche 3);

(ii) In order to exercise a Class into Conversion Shares following receipt of a Vesting Notice, the holder must provide written notice (**Exercise Notice**) to the Company of its election to exercise the Class into the Conversion Shares. A Class may only be exercised into Conversion Shares once.

(iii) Despite any other provision, the exercise of any Performance Rights is subject to the Company obtaining any required shareholder or regulatory approval for the purpose of issuing the Conversion Shares. If exercise of all or part of the Performance Rights would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) then the exercise of each Performance Right that would cause the contravention will be deferred until such time or times that the exercise would not at a later date result in a contravention of section 606(1) of the Corporations Act. The holder must give prior written notice to the Company if it considers that the exercise of all or part of its Performance Rights may result in the contravention of section 606(1) of the Corporations Act, failing which the Company will be entitled to assume that the exercise of the Performance Rights under these terms and conditions will not result in any person being in contravention of section 606(1) of the Corporations Act.

(iv) The Company must issue Conversion Shares in the name of the holder (or its nominee) within 7 days of receiving a valid Exercise Notice.

(v) Each Conversion Share will rank equally with a fully paid ordinary share in the capital of the Company.

(vi) The Performance Rights will not be quoted on any securities exchange and the Company will not make an application for quotation in respect of them. However, if the Company is listed on the ASX at the relevant time, the Company must apply for quotation of any Conversion Shares on the ASX in accordance with the Listing Rules, subject always to the requirements of the Listing Rules, including those relating to escrow.

**(k) Expiry**

(i) Despite any other provision, any Performance Rights which have not been validly exercised into Conversion Shares on or before the earlier of:

C. the date that the holder ceases to be engaged for services by the Company in any capacity; and

D. the date that is 5 years from the date that the Performance Rights are issued,

will automatically be deemed to be cancelled by the Company for nil cash consideration.



**(l) Transferability**

The Performance Rights are not transferable.

**(m) Compliance with Corporations Act, Listing Rules and Constitution**

- (i) Despite anything else contained in these terms and conditions, if the Corporations Act, Listing Rules or Constitution prohibits an act being done, that act must not be done.
- (ii) Nothing contained in these terms and conditions prevents an act being done that the Corporations Act, Listing Rules or Constitution require to be done.
- (iii) If the Corporations Act, Listing Rules or Constitution conflict with these terms and conditions, or these terms and conditions do not comply with the Corporations Act, Listing Rules or the Constitution, the holder authorises the Company to do anything necessary to rectify such conflict or non-compliance, including but not limited to unilaterally amending these terms and conditions.
- (iv) The terms of the Performance Rights may be amended as necessary by the directors of the Company in order to comply with the Listing Rules, or any directions of ASX regarding the terms.

**(n) Change of Control Event**

- (i) A change of control event (**Change of Control Event**) occurs where:
  - C. an offer is made for Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act and is, or is declared, unconditional; or
  - D. the Court sanctions under Part 5.1 of the Corporations Act a compromise or arrangement relating to the Company or a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies.
- (ii) If a Change of Control Event occurs, the Company may in its sole and absolute discretion, and subject to the Listing Rules and clause (g)(iii) below, determine how unvested Performance Rights will be treated, including but not limited to determining that unvested Performance Rights (or a portion of unvested Performance Rights) will become immediately exercisable into Conversion Shares with such exercise deemed to have taken place immediately prior to the effective date of the Change of Control Event.
- (iii) The total number of Conversion Shares issued under clause (c) above must not exceed 10% of the issued ordinary capital of the Company as at the date of exercise. The conversion will be completed on a pro rata basis across each class of Performance Rights then on issue as well as on a pro rata basis for each Holder. Performance Rights that are not converted into Shares under this paragraph will continue to be held by the Holders on the same terms and conditions.
- (iv) Whether or not the Company determines to accelerate the vesting of any Performance Rights, the Company must give written notice of any proposed Change of Control Event to the holder.

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

Holder Number:

Your proxy voting instruction must be received by **10.30am (AEST) on Tuesday, 17 May 2022**, 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



## SUBMIT YOUR PROXY VOTE BY PAPER

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>.



