
PATRIOT LITHIUM LIMITED
ACN 647 470 415
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11:00am (AWST)
DATE: Wednesday 5 July 2023
PLACE: Level 3
16 Milligan Street
PERTH WA 6000

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 11:00am (AWST) on Monday 3 July 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – ISSUE OF OPTIONS TO RELATED PARTY – NICHOLAS VICKERY

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 800,000 Options to Mr Nicholas Vickery (or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – NICHOLAS VICKERY

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

"That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Performance Rights to Mr Nicholas Vickery (or his nominee) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 25 May 2023

By order of the Board



Matthew Worner
Director

Voting Prohibition Statements

Resolution 1 – Issue of Options to Related Party – Nicholas Vickery	A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 2 – Issue of Performance Rights to Related Party – Nicholas Vickery	A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if: (a) the proxy is either: (iii) a member of the Key Management Personnel; or (iv) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Issue of Options to Related Party – Nicholas Vickery	<i>Mr Nicholas Vickery</i> (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 2 – Issue of Performance Rights to Related Party – Nicholas Vickery	<i>Mr Nicholas Vickery</i> (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

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:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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:

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

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (08) 9322 7600.

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. RESOLUTION 1 – ISSUE OF OPTIONS TO RELATED PARTY – NICHOLAS VICKERY

1.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 800,000 Options with an exercise price of \$0.40 and expiring four (4) years from the date of issue (**Options**) to Mr Nicholas Vickery (or his nominee) the Managing Director and Chief Executive Officer of the Company on the terms and conditions set out below.

Resolution 1 seeks Shareholder approval for the issue of the Options to Mr Nicholas Vickery (or his nominee).

1.2 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 Options to Mr Vickery (or his nominee) constitutes giving a financial benefit and Mr Vickery is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Vickery 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 grant of Options because the agreement to issue the Options, reached as part of the remuneration package for Mr Vickery, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

1.3 Listing Rule 10.11

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

- 10.11.1 a related party;
- 10.11.2 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;
- 10.11.3 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;

- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3;
or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 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 Options falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 1 seeks the required Shareholder approval for the issue of the Options under and for the purposes of Listing Rule 10.11.

1.4 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of the Options to Mr Nicholas Vickery within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Options (because approval is being obtained under Listing Rule 10.11), the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of the Options and the Company will be forced to find alternate methods to remunerate and incentivise Mr Vickery.

1.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 1:

- (a) the Options will be issued to Mr Vickery (or his nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Vickery is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Options to be issued is 800,000;
- (c) the terms and conditions of the Options are set out in Schedule 1 ;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (e) the issue price of the Options will be nil. The Company will not receive any other consideration in respect of the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the purpose of the issue of the Options is to provide a performance linked incentive component in the remuneration package for Mr Vickery to motivate and reward their performance as a Director and to provide cost effective remuneration to Mr Vickery, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Vickery;

- (g) the current total remuneration package for Mr Vickery is \$275,000. If the Options are issued, the total remuneration package of Mr Vickery will increase by \$132,800 to \$407,800, being the value of the Options based on the Black Scholes methodology;
- (h) the Options are being issued to Mr Vickery under the NV Employment Agreement. A summary of the material terms of the NV Employment Agreement is set out in Schedule 3 ; and
- (i) a voting exclusion statement is included in Resolution 1 of the Notice.

2. RESOLUTION 2 – ISSUE OF PERFORMANCE RIGHTS TO RELATED PARTY – NICHOLAS VICKERY

2.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue:

- (a) 1,000,000 Class D Performance Rights;
- (b) 1,000,000 Class E Performance Rights; and
- (c) 1,000,000 Class F Performance Rights,

(together, the **Performance Rights**),

to Mr Nicholas Vickery (or his nominee) the Managing Director and Chief Executive Officer of the Company on the terms and conditions set out below.

Resolution 2 seeks Shareholder approval for the issue of the Performance Rights to Mr Nicholas Vickery (or his nominee).

2.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 1.2 above.

The issue of Performance Rights to Mr Vickery (or his nominee) constitutes giving a financial benefit and Mr Vickery is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Vickery 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 grant of Performance Rights because the agreement to issue the Performance Rights, reached as part of the remuneration package for Mr Vickery, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

2.3 Listing Rule 10.11

A summary of Listing Rule 10.11 is set out in Section 1.3 above.

The issue of Performance Rights falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolution 2 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.11.

2.4 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mr Vickery within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.11), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Performance Rights and the Company will be forced to find alternate methods to remunerate and incentivise Mr Vickery.

2.5 Technical Information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 2:

- (a) the Performance Rights will be issued to Mr Vickery (or his nominee), who falls within the category set out in Listing Rule 10.11.1 as Mr Vickery is a related party of the Company by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued is 3,000,000;
- (c) the terms and conditions of the Performance Rights are set out in Schedule 2;
- (d) 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 Listing Rules) and it is intended that issue of the Performance Rights will occur on the same date;
- (e) the issue price of the Performance Rights will be nil. The Company will not receive any other consideration in respect of the issue of the Performance Rights;
- (f) the purpose of the issue of the Performance Rights is to provide a performance linked incentive component in the remuneration package for Mr Vickery to motivate and reward their performance as a Director and to provide cost effective remuneration to Mr Vickery, enabling the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Vickery;
- (g) the current total remuneration package for Mr Vickery is \$275,000. If the Performance Rights are issued, the total remuneration package of Mr Vickery will increase by \$679,000 to \$954,000, being the value of the Performance Rights based on the barrier up-and-in trinomial pricing model;
- (h) the Performance Rights are being issued to Mr Vickery under the NV Employment Agreement. A summary of the material terms of the NV Employment Agreement is set out in Schedule 3 ; and
- (i) a voting exclusion statement is included in Resolution 2 of the Notice.

GLOSSARY

\$ means Australian dollars.

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.

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.

Company means Patriot Lithium Limited (ACN 647 470 415).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

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

Listing Rules means the Listing Rules of ASX.

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

NV Employment Agreement means the employment agreement between Mr Nicholas Vickery and the Company dated 31 January 2023.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Performance Rights means the Class D Performance Rights, the Class E Performance Rights and Class F Performance Rights with the terms and conditions set out in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

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.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

1. Entitlement

Each Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

2. Exercise Price

Subject to paragraph 9 the amount payable upon exercise of each Option will be \$0.40 (**Exercise Price**).

3. Expiry Date

Each Option will expire at 5:00 pm (WST) on the fourth (4th) anniversary of its date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

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

5. Notice of Exercise

The Options may be exercised during the Options Exercise Period by notice in writing to the Company in the manner specified on the Option certificate and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Timing of issue of Shares on exercise

Within 5 Business Days after the latter of the following:

- (a) Exercise Date; and
- (b) when excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information.

But in any case, not later than 20 Business Days after the Exercise Date, the Company will:

- (c) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (d) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section

708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors;

If a notice delivered under 7(d) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Shares issued on exercise

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

9. Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

11. Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

12. Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

Set out below are the terms and conditions of the Performance Rights:

1. Performance Milestone Conditions and Expiry Dates

The Performance Rights shall be subject to the following performance milestones (**Milestones**) and shall have the following **Expiry Dates**:

Class of Performance Rights	Milestone	Expiry Date	Number of Performance Rights
Class D Performance Rights	Each Class D Performance Right will vest and convert into one Share upon the Company achieving a volume weighted average price for 20 consecutive trading days (20-Day VWAP) exceeding \$0.40, subject to the continued employment of the holder for 12 months from 12 April 2023.	5 years from the date of issue	1,000,000
Class E Performance Rights	Each Class E Performance Right will vest and convert into one Share upon the Company achieving a 20-Day VWAP exceeding \$0.60, subject to the continued employment of the holder for 12 months from 12 April 2023.	5 years from the date of issue	1,000,000
Class F Performance Rights	Each Class F Performance Right will vest and convert into one Share upon the Company achieving a 20-Day VWAP exceeding \$0.70, subject to the continued employment of the holder for 12 months from 12 April 2023.	5 years from the date of issue	1,000,000

2. Notification to holder

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

3. Conversion

Subject to paragraph 16, upon satisfaction of the applicable Milestone, each Performance Right will, as soon as reasonably practicable (and in any event not later than 45 days from vesting), convert into one (1) Share.

4. Conversion on change of control

Subject to paragraph 16 below and notwithstanding the relevant Milestone has not been satisfied, upon the occurrence of either:

- (a) a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the

reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the Milestones, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

5. Lapse of a Performance Right

Any Performance Right that has not been converted into a Share prior to the Expiry Date specified in paragraph (a) will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event a relevant Milestone is met before the Expiry Date and the Shares the subject of a conversion are deferred in accordance with paragraph 16 below.

6. Fraudulent or dishonest action

If a holder ceases to be an employee or Director of the Company or one of its subsidiaries in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:

- (a) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (b) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Milestone has previously been met, and any Shares issued on satisfaction of the applicable Milestone will remain the property of the holder.

7. Ceasing to be an employee or Director

If a holder ceases to be an employee or Director of the Company or its subsidiaries in circumstances where the cessation or termination arises because the holder:

- (a) voluntarily resigns his or her position within twelve (12) months after commencement date (other than to take up employment with a subsidiary of the Company);
- (b) wilfully breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of holder;
- (c) is convicted of a criminal offence which, in the reasonable opinion of the Company, might tend to injure the reputation or the business of the Company; or
- (d) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,

then:

- (e) unless the Board decides otherwise in its absolute discretion, will deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (f) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Milestone has

previously been met and any Shares issued on satisfaction of the applicable Milestone will remain the property of the holder.

8. Other circumstances

The Performance Rights will not lapse and be forfeited where the holder ceases to be an employee or Director of the Company for one of the following reasons:

- (a) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);
- (b) redundancy (being where the holder ceases to be an employee or Director due to the Company no longer requiring the holder's position to be performed by any person); or
- (c) any other reason, other than a reason listed in paragraph (7) and (8), that the Board determines is reasonable to permit the holder to retain his or her Performance Rights,

and in those circumstances the Performance Rights will continue to be subject to the applicable Milestone.

9. Share ranking

All Shares issued upon the conversion of Performance Rights will upon issue rank *pari passu* in all respects with existing Shares.

10. Application to ASX

The Performance Rights will not be quoted on ASX.

11. Timing of issue of Shares on Conversion

Within 5 Business Days after the date that Performance Rights are converted, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (k)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

12. Transfer of Performance Rights

The Performance Rights are not transferable.

13. Participation in new issues

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

14. Reorganisation of capital

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

15. Dividend and Voting Rights

The Performance Rights do not confer on the holder an entitlement to vote on any resolutions proposed by the Company (except as otherwise required by law) or receive dividends.

16. Deferral of conversion if resulting in a prohibited acquisition of Shares

If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (a) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition;
- (b) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (q)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

17. No rights to return of capital

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

18. Rights on winding up

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

19. Tax Deferral

For the avoidance of doubt, Subdivision 83A-C of the Income Tax Assessment Act 1997 which enables tax deferral on performance rights, applies (subject to the conditions in that Act) to the Performance Rights.

20. No other rights

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

21. ASX Listing Rule compliance

The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules.

SCHEDULE 3 – SUMMARY OF NV EMPLOYMENT AGREEMENT

The Company has entered into an employment agreement with Mr Nicholas Vickery (**NV Employment Agreement**), the material terms and conditions of which are summarised below:

Position	Managing Director and Chief Executive Officer
Remuneration	Mr Vickery shall be entitled to A\$275,000 per annum (excluding superannuation).
Term	The NV Employment Agreement will commence on 1 May 2023, or other such earlier date as agreed between the parties in writing.
Termination	Either party may terminate the NV Employment Agreement at any time and for any reason (including redundancy) by giving the other six (6) months' notice in writing.
Termination by Company	The Company may at its discretion, immediately by notice to the Mr Vickery terminate the NV Employment Agreement if at any time Mr Vickery is or becomes: (a) in breach of any of the terms of the NV Employment Agreement; (b) convicted of any criminal offence which, in the reasonable opinion of the Company, brings Mr Vickery, the Company or any of its subsidiaries into serious disrepute; (c) bankrupt or makes a composition or arrangement with Mr Vickery's creditors generally or takes advantage of any statute for the relief of insolvent debtors; (d) of unsound mind or a person whose person or estate is liable to be dealt with under any law relating to mental health; (e) unable to meet or fulfil the inherent requirements of the position; or (f) guilty of gross misconduct in the performance of Mr Vickery's duties under the NV Employment Agreement. The Company may terminate the NV Employment Agreement if at any time Mr Vickery is or becomes: (a) incapacitated by illness or injury of any kind which prevents Mr Vickery from performing his duties under the NV Employment Agreement for a period of three consecutive months or any periods aggregating three months in any period of 12 months during the term of the NV Employment Agreement; or (b) continually or significantly in neglect of his duties under NV Employment Agreement, by giving Mr Vickery six (6) months' notice in writing.
Non-Cash Benefits	As part of Mr Vickery's remuneration, the Company will issue to Mr Vickery (or his nominee), subject to shareholder approval, additional performance incentives, being: (a) 800,000 Options; and (b) 3,000,000 Performance Rights.

The NV Employment Agreement otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

Proxy Voting Form

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

Your proxy voting instruction must be received by **11:00am (WST) on Monday, 3 July 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

