

**Acrow Formwork and  
Construction Services  
Limited**

Level 5, 126 Phillip Street  
Sydney NSW 2000  
ACN: 124 893 465

<http://www.acrow.com.au/>



# Acrow Formwork and Construction Services Limited

## **Notice of 2019 Annual General Meeting**

Explanatory Statement | Proxy Form

Wednesday, 27 November 2019

**2.00PM AEDT**

### **Address**

Automic Group  
Level 5, 126 Phillip Street  
Sydney NSW 2000

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

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## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.00pm (AEDT) on Wednesday, 27 November 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

### Your vote is important

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

### Voting in person

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

### Voting by proxy

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

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

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

### Power of Attorney

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

### Corporate Representatives

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

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Acrow Formwork and Construction Services Limited ACN 124 893 465 will be held at 2.00pm (AEDT) on Wednesday, 27 November 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000 (**Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00pm (AEDT) on Monday, 25 November 2019.

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

## Agenda

### Ordinary business

#### Financial statements and reports

*"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."*

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

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

# Resolutions

## **Remuneration Report**

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

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

*"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2019."*

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

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

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

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

## **Re-election of Directors**

### **2. Resolution 2 – Re-election of Peter Lancken as Director**

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

*"That Mr Peter Lancken, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."*

### **3. Resolution 3 – Re-election of Joshua May as Director**

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

*"That Mr Joshua May, a Director who retires by rotation in accordance with the Company's Constitution and ASX Listing Rule 14.5, and being eligible offers himself for re-election as a Director of the Company, effective immediately."*

### **4. Resolution 4 – Election of David Moffat as Director**

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

*"That Mr David Moffat, a Director appointed as an additional Director and holding office until the next general meeting of the Company after his appointment in accordance with the Company's Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately."*

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

### **5. Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

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

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

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

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

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **Adoption of Long-Term Incentive Plan**

### **6. Resolution 6 – Adoption of Long-Term Incentive Plan**

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

*"That, for the purposes of ASX Listing Rule 7.2 (exception 9(b)), sections 257B(1), 259B(2) and 260C(4) of the Corporations Act, and for all other purposes, the Shareholders of the Company approve the adoption of a Long Term Incentive Plan, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

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

- (a) any Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); or
- (b) an Associate of those persons.

However, the Company will not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **Adoption of New Constitution**

### **7. Resolution 7 – Adoption of New Constitution**

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

*"That, for the purposes of section 136 of the Corporations Act and for all other purposes, the constitution of the Company be repealed and replaced with a constitution in the form of the document tabled at this Meeting and signed by the Chair for the purposes of identification, effective immediately."*

## **Financial assistance by Uni-Span Group Pty Ltd and its Subsidiaries**

### **8. Resolution 8 – Financial assistance by Uni-Span Group Pty Ltd and its Subsidiaries**

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

*"That for the purposes of section 260B(2) of the Corporations Act, the giving of financial assistance by Uni-Span Group Pty Ltd ACN 131 921 116 and its subsidiaries Uni-Span Height Safety Pty Ltd ACN 122 411 198, Uni-Span Australia Pty Ltd ACN 099 939 287 and Uni-Span Formwork Solutions Pty Ltd ACN 158 121 361 (**Uni-Span Companies**) in connection with the acquisition of all of the issued shares of Uni-Span Group Pty Ltd ACN 131 921 116 by Acrow Formwork and Construction Services Limited ACN 124 893 465, as described in the Explanatory Statement accompanying the Notice of Annual General Meeting at which this Resolution is to be passed, is approved by Shareholders of the Company."*

**BY ORDER OF THE BOARD**

Lee Tamplin  
Company Secretary

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 2.00pm (AEDT) on Wednesday, 27 November 2019 at Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

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

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

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

## Agenda

### **Ordinary business**

#### Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

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

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://www.acrow.com.au/investors-2/>.

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

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

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

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

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

Please note that all written questions must be received at least five business days before the Meeting, which is by Wednesday, 22 November 2019.



# Resolutions

## **Remuneration Report**

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

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

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://www.acrow.com.au/investors-2/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2020 Annual General Meeting (**2020 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2020 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the AGM. All of the Directors who were in office when the 2020 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

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

#### **Voting**

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

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

## **Re-election of Directors**

### **Resolution 2 – Re-election of Peter Lancken as Director**

The Company's Constitution requires that at the Company's annual general meeting, one third of the Directors shall retire from office. The retiring Directors must not be a Managing Director. The Directors to retire at an annual general meeting are those who have been longest in office since their last election.

It has been agreed that Mr Peter Lancken will retire by rotation at this Meeting.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Peter Lancken was appointed a Director of the Company on 27 March 2018 and has not sought re-election since appointment.

A Director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election. Under this Resolution, Peter Lancken has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Peter has a career spanning over 25 years in a range of executive and director roles in equipment hire, industrial and real estate companies. He was formerly the Managing Director and Non-Executive Chairman of Kennards Hire Pty Limited. Peter managed an era of growth spanning two decades at Kennards, with sales now exceeding \$380 million from a network of over 170 locations, and remains on the Board as a Non-Executive Director. Peter was the Deputy Chairman and Non-Executive Director of CMA Corporation Limited, a public company listed on the ASX.

Peter is also Non-Executive Chairman of Crimestoppers NSW and former Non-Executive Chairman of Propertylink Group (ASX:PLG).

Peter holds a Bachelor of Engineering (Civil) from the University of New South Wales, is a Fellow of the Institute of Engineers Australia and is a member of the Australian Institute of Company Directors.

#### **Directors' recommendation**

The Directors (excluding Peter Lancken) recommend that Shareholders vote for this Resolution.

### **Resolution 3 – Re-election of Joshua May as Director**

The Company's Constitution requires that at the Company's annual general meeting, one third of the Directors shall retire from office. The retiring Directors must not be a Managing Director. The Directors to retire at an annual general meeting are those who have been longest in office since their last election.

It has been agreed that Mr Joshua May will retire by rotation at this Meeting.

ASX Listing Rule 14.5 also provides that an entity which has Directors must hold an election of Directors at each annual general meeting.

Joshua May was appointed a Director of the Company on 27 March 2018 and has not sought re-election since appointment.

A Director who retires by rotation under clause 13.2 of the Company's Constitution is eligible for re-election. Under this Resolution, Joshua May has elected to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Joshua is a Chartered Accountant and transaction advisory specialist, with over 20 years' experience in Corporate Finance. Josh qualified as a Chartered Accountant with Grant Thornton between 1994 and 1997, before embarking on a career in Corporate Finance – firstly with Horwath Clarke Whitehill in London (UK) between 1997 and 2001. He then worked as a Director within Ernst & Young's M&A Advisory Practice in Sydney, before co-founding Oaktower Partnership in 2005, an independent boutique Corporate Advisory Business, based in Sydney and Melbourne. After 12 successful years with Oaktower, Joshua joined Bombora Group in November 2017.

Josh has broad corporate advisory experience gained over many years and through various economic cycles. Transaction themes have included private equity, entrepreneurial clients seeking growth capital, succession planning for large established private businesses and sale of non-core assets for large corporations. His industry experience is broad across healthcare, construction related products and services, food and consumer/retail.

**Directors' recommendation**

The Directors (excluding Mr Josh May) recommend that Shareholders vote for this Resolution.

## **Resolution 4 – Election of David Moffat as Director**

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

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

Mr David Moffat was appointed as an additional Director of the Company on 19 September 2019 and has since served as a Director of the Company.

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

David is a seasoned construction industry professional, with a career spanning over 35 years. David brings with him key competencies in Leadership, Construction Management, Innovation and Safety. From 2016-2018, David was the Managing Director of the Lipman Group of Companies ("Lipman"), a group of privately-owned construction companies with total annual turnover in excess of \$300m. Under David's leadership, Lipman built an industry leading capability, based on strong core values focusing on safety, integrity, innovation, quality, on-time delivery, and positive client outcomes.

Prior to his engagement as Managing Director of Lipman, David worked across various roles in his 29 years with the Group, including Site Engineer, Project Manager and Construction Director.

David holds a Bachelor of Engineering (Civil) from University of Technology, Sydney.

**Directors' recommendation**

The Directors (excluding Mr David Moffat) recommend that Shareholders vote for this Resolution.

## **ASX Listing Rule 7.1A**

### **Resolution 5 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

ASX Listing Rule 7.1A enables eligible entities to seek Shareholder approval by Special Resolution passed at an annual general meeting to issue equity securities (which must be in the same class as an existing quoted class of equity securities of the Company) which do not exceed 10% of the existing ordinary share capital without further Shareholder approval. The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement capacity under Listing Rule 7.1.

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

As of the date of this Notice of Meeting, the Company is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

Approval under this Resolution is sought for the Company to issue equity securities under Listing Rule 7.1A.

If this Resolution is approved the Company may make an issue of equity securities under Listing Rule 7.1A at any time (either on a single date or progressively) up until the earlier of:

- (a) the date which is 12 months after the date of the 2019 Annual General Meeting; or  
the date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Accordingly, the approval given if this Resolution is passed will cease to be valid on the earlier of 27 November 2020 or the date on which holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.

The maximum number of equity securities which may be issued in the capital of the Company under the approval sought by this Resolution will be determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

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

where:

**A** is the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement to issue:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid ordinary securities that became fully paid in the 12 months;
- (iii) plus the number of fully paid ordinary securities issued in the 12 months with approval of the holders of ordinary securities under Listing Rules 7.1 and 7.4 (this does not include an issue of fully paid ordinary securities under the entity's 15% placement capacity without Shareholder approval); and
- (iv) less the number of fully paid ordinary securities cancelled in the 12 months.

**D** is 10%.

**E** is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of holders of ordinary securities under Listing Rules 7.1 or 7.4.

The ability of the Company to make an issue under Listing Rule 7.1A is in addition to its 15% placement

capacity under Listing Rule 7.1. The effect of this Resolution will be to allow the Company to issue equity securities under Listing Rule 7.1A without using the Company's 15% placement capacity under Listing Rule 7.1.

As at 18 October 2019, the Company has on issue 177,481,455 fully paid ordinary securities and therefore has capacity to issue:

- (a) 26,622,218 equity securities under Listing Rule 7.1; and
- (b) subject to Shareholder approval being sought under this Resolution, 17,748,145 equity securities under Listing Rule 7.1A.

The issue price of the equity securities issued under Listing Rule 7.1A will be determined at the time of issue. The minimum price at which the equity securities, the subject of this Resolution, will be issued is 75% of the volume weighted average market (closing) price (**VWAP**) of the Company's equity securities over the 15 days on which trades in that class were recorded immediately before either:

- (a) the date on which the price at which the equity securities are to be issued is agreed; or
- (b) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (a) the date on which the securities are issued.

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

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

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

The table set out below shows the dilution of existing Shareholders on the basis of:

- The market price of the Company's ordinary shares and the number of ordinary shares as at 18 October 2019.
- Two examples where the number of ordinary shares on issue ("A") has increased, by 50% and 100%. The number of ordinary shares on issue may increase as a result of issues of ordinary shares that do not require Shareholder approval (for example, pro-rata entitlements issues) or as a result of future specific placements under Listing Rule 7.1 that are approved by Shareholders.
- Two examples of where the issue price of ordinary shares has decreased by 50% and increased by 100% as against the market price as at 18 October 2019.

Variable "A" ASX Listing Rule 7.1A.2		Dilution		
		\$0.1625 50% decrease in issue price	\$0.325 issue price **	\$0.65 100% increase in issue price
"A" is the number of shares on issue, being 177,481,455 *** shares	10% voting dilution	17,748,145	17,748,145	17,748,145
	Funds raised	\$2,884,074	\$5,768,147	\$11,536,294
"A" is a 50% increase in shares on issue, being 266,222,182 *** shares	10% voting dilution	26,622,218	26,622,218	26,622,218
	Funds raised	\$4,326,110	\$8,652,221	\$17,304,442
"A" is a 100% increase in shares on issue, being 354,962,910 *** shares *	10% voting dilution	35,496,291	35,496,291	35,496,291
	Funds raised	\$5,768,147	\$11,536,295	\$23,072,589

**Notes:**

- (i) The table assumes that the Company issues the maximum number of equity securities available under Listing Rule 7.1A.
- (ii) The table assumes that no options are exercised in ordinary shares before the date of the issue of equity securities under Listing Rule 7.1A.
- (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (iv) The table shows the effect of an issue of equity securities under Listing Rule 7.1A, not under the Company's 15% placement capacity under Listing Rule 7.1.
- (v) The issue of equity securities under the Listing Rule 7.1A consists only of ordinary shares. If the issue of equity securities includes Options and/or Performance Rights, it is assumed that those Options and/or Performance Rights are exercised (or converted) into ordinary shares for the purposes of calculating the voting dilution effect on existing Shareholders.
- \* Any issue of equity securities is required to be made in accordance with the Listing Rules. Any issue made other than under the Company's 15% capacity (Listing Rule 7.1) or the Company's additional 10% capacity (Listing Rule 7.1A) and not otherwise made under an exception in Listing Rule 7.2 (for example, a pro-rata rights issue) would require Shareholder approval.
- \*\* Based on the closing price of the Company's Shares on ASX on 18 October 2019.
- \*\*\* Based on the Company's Share structure as at 18 October 2019.

If this Resolution is approved the Company will have the ability to issue up to 10% of its issued capital without further Shareholder approval and therefore allow it to take advantage of opportunities to obtain further funds if required and available in the future.

As at the date of this Explanatory Statement, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A to any particular person or at any particular time. The total amount that may be raised by the issue of equity securities under Listing Rule 7.1A will depend on the issue price of the equity securities which will be determined at the time of issue. In some circumstances, the Company may issue equity securities under Listing Rule 7.1A for non-cash consideration (for example, in lieu of cash payments to consultants, suppliers or vendors). While the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A, some of the purposes for which the Company may issue equity securities under Listing Rule 7.1A include (but are not limited to):

- (a) raising funds to further develop the Company's business;
- (b) raising funds to be applied to the Company's working capital requirements;
- (c) acquiring assets. In these circumstances, the issue of the ordinary shares may be made in substitution for the Company making a cash payment for the assets; and
- (d) paying service providers or consultants of the Company.

Details regarding the purposes for which any particular issue under Listing Rule 7.1A is made will be more fully detailed in an announcement to the ASX made pursuant to Listing Rule 7.1A.4 and Listing Rule 3.10.5A at the time the issue is made. The identity of the allottees of equity securities under Listing Rule 7.1A will be determined at the time the Company decides to make an issue having regard to a number of factors including:

- (a) the capital raising and acquisition opportunities available to the Company and any alternative methods for raising funds or acquiring assets that are available to the Company;
- (b) the potential effect on the control of the Company;
- (c) the Company's financial situation and the likely future capital requirements; and
- (d) advice from the Company's corporate or financial advisors.

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

The allocation policy the Company may adopt for a particular issue of equity securities under Listing Rule 7.1A and the terms on which those equity securities may be offered will depend upon the circumstances existing at the time of the proposed capital raising under Listing Rule 7.1A. Subject to the requirements of the Listing Rules and the Corporations Act, the Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, it is required by Listing Rule 7.3A.6 to provide details of all issues of equity securities in the 12 months preceding the date of the Meeting. The details of all issues of equity securities by the Company during the 12 months preceding the date of the Meeting are detailed below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any)	Consideration details	Allottees of the Securities
<i>Issued on 14 January 2019</i>				
5,100,000 Unlisted Options	<p>Issue of unlisted and unvested options pursuant to the Company's Long Term Incentive Plan and Employee Share Option Plan.</p> <p>1,000,000 options, ¼ vest on 5 December each year for 4 years starting 5 December 2019. Exercisable at \$0.50 per option and expires on 14 January 2024.</p> <p>4,100,000 options. ¼ vest on 14 January each year for 4 years starting 14 January 2020. Exercisable at \$0.50 per option and expires on 14 January 2024.</p>	N/A – issued for nil consideration	N/A issued for nil consideration  Based on the Monte Carlo Model the current total fair value of these options is \$625,014.	Invited participants under the Company's Long Term Incentive Plan and Employee Share Option plan.
<i>Issued on 8 February 2019</i>				
191,667 Fully Paid Ordinary Shares	Exercise of options. The shares were fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	<p>Issue price of \$0.20 per share.</p> <p>Share price on date of issue was \$0.44, which represents a discount of 54.55%.</p>	<p>Total cash consideration of \$38,333.</p> <p>All of the funds have been used by the Company for working capital purposes.</p>	Option holder
<i>Issued on 4 March 2019</i>				
360,000 Unlisted Options	<p>Issue of unlisted and unvested options pursuant to the Company's Employee Share Option Plan.</p> <p>¼ of the options vest on 4 March each year for 4 years starting 4 March 2020. Exercisable at \$0.50 per option, expires on 4 March 2024.</p>	N/A – issued for nil consideration	N/A issued for nil consideration.  Based on the Monte Carlo Model the current total fair value of these options is \$27,767.	Invited participant under the Company's Employee Share Option Plan.

<i>Issued on 20 March 2019</i>				
558,334 Fully Paid Ordinary Shares	Exercise of options. The shares were fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of \$0.20 per share.  Share price on the date of issue was \$0.35, which represents a discount of 42.86%.	Total cash consideration of \$111,666.  All of the funds have been used by the Company for working capital purposes.	Option holders
<i>Issued on 12 April 2019</i>				
893,491 Fully Paid Ordinary Shares	Issue of shares pursuant to the Company's Dividend Reinvestment Plan.  The shares were fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of \$0.3435 per share.  Share price on the date of issue was \$0.38, which represents a discount of 9.61%.	Total cash consideration of \$306,914.  All of the funds have been used by the Company for working capital purposes.	Eligible participants in the Company's Dividend Reinvestment Plan
<i>Issued on 16 July 2019</i>				
1,200,000 Unlisted Options	Issue of unlisted and unvested options pursuant to the Company's Employee Share Option Plan.  ¼ of the Options vest on 16 July each year for 4 years starting 16 July 2020. Exercisable at \$0.40 per option, expires 16 July 2024.	N/A – issued for nil consideration	N/A – issued for nil consideration  Based on the Monte Carlo Model the current total fair value of these options is \$73,742.	Invited participant under the Company's Employee Share Option Plan

<b>Total equity securities issued in previous 12 months* ("A")</b>	8,303,492
<b>Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period</b>	43.28%

\*Based on Company's fully diluted capital structure as at the date of the Company's 2018 Annual General Meeting

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

#### **Directors' recommendation**

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



## **Adoption of Long Term Incentive Plan**

### **Resolution 6 – Adoption of Long Term Incentive Plan**

#### **Background**

Shareholder approval is being sought to adopt an employee incentive scheme entitled “Long Term Incentive Plan” (**LTIP**) under Resolution 6 of this Notice of Meeting.

The Company’s LTIP is similar to the employee incentive scheme previously approved by Shareholders of the Company on 12 March 2018, which incorporates updates in relation to the exercise process of vested incentives which may be more attractive for incentivising eligible participants.

A copy of the LTIP is attached to this Notice of Meeting in Annexure A.

#### **ASX Listing Rules**

If this Resolution is approved by Shareholders for all purposes under the Corporations Act and the ASX Listing Rules, including ASX Listing Rule 7.2 (exception 9(b)), it will have the effect of enabling the securities issued by the Company under the LTIP to be automatically excluded from the formula to calculate the number of securities which the Company may issue in any 12 month period using Listing Rule 7.1 (15% capacity) during the next three year period.

Since the Company’s employee incentive scheme was last approved by Shareholders on 12 March 2018, the Company advises that it has issued:

- 2,430,000 loan funded fully paid ordinary shares.
- 12,150,000 performance rights
- 2,650,000 unlisted options

#### **Shareholder loans**

The Board may, in its discretion, also determine that the Company will provide limited recourse loans to participants to use to pay the subscription price for the purchase of “Loan Funded Shares” under the LTIP.

#### **Permit the Company to take security over its own Shares**

Section 259B(1) of the Corporations Act prohibits a company taking security over shares in itself or in a company that controls it, unless one of the exceptions in subsections 259B(2) or 259(3) applies. Section 259(2) of the Corporations Act permits the taking of security by a Company over its own Shares, if the security is taken over shares issued under an employee share scheme approved at a meeting of shareholders via an Ordinary Resolution.

Employee share scheme is defined widely by the Corporations Act and includes the LTIP.

Accordingly, Shareholder approval is being sought under this Resolution to approve the LTIP in order for the Company to take security over its own Shares issued under the LTIP if required to do so.

#### **Exemption for financial assistance**

Section 260A of the Corporations Act provides that a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving of the assistance does not materially prejudice the interests of the company or its shareholders, or the company’s ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

Section 260C(4) of the Corporations Act provides an exemption to financial assistance, if the financial assistance is given under an employee share scheme approved at a meeting of shareholders via an ordinary resolution.

As noted above and set out in Annexure A, the terms of the LTIP envisages the giving of financial assistance by the Company to eligible and invited participants in the form of interest free, limited recourse loans to acquire Loan Funded Shares in the Company.

Although the Board does not consider that the giving of financial benefit under the LTIP will materially prejudice the interests of the company or its shareholders, or the company's ability to pay its creditors, Shareholder approval is being sought under this Resolution to enable the Company to qualify for the special exemption offered by section 260C(4) of the Corporations Act.

### **Employee share scheme buy-back**

Section 257B(1) of the Corporations Act sets out the procedure for various forms of share buy-back, including an "employee share scheme buy-back". In order for the Company to undertake a buy-back of Shares under the LTIP using the employee share scheme buy-back procedure under the Corporations Act, the LTIP must be approved by Shareholders of the Company.

Accordingly, Shareholder approval is being sought under this Resolution to approve the LTIP in order for the Company to undertake a buy-back of Shares under the LTIP using the employee share scheme buy-back procedure under the Corporations Act.

### **Directors Recommendation**

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

## **Adoption of New Constitution**

### **Resolution 7 – Adoption of New Constitution**

The Company's current constitution was adopted on 1 December 2016.

Effective 1 December 2019 the ASX propose to implement changes to their escrow regime. In accordance with those changes there will be an update to ASX Listing Rule 15.12 which requires a listed entity's constitution to contain certain provisions for so long as an entity has "restricted securities" (as defined by the Listing Rules) are on issue. These amendments (if approved) provide the constitutional underpinning for ASX's modified escrow regime.

In addition, the Company wishes to renew the provisions concerning "Partial Takeover Plebiscites" in clause 35 in its Constitution (**Proportional Takeover Provisions**).

Accordingly, the Company has prepared an updated Constitution (**New Constitution**) which incorporates the following key amendments:

- (a) **Restricted Securities:** The Company shall comply in all respects with the requirements of the Listing Rules with respect to "restricted securities". Without limiting the generality of the above:
  - (i) a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;
  - (ii) if the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the entity's issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities;
  - (iii) the entity will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;
  - (iv) a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and
  - (v) if a holder of restricted securities breaches a restriction deed or a provision of the entity's constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.
- (b) **Proportional Takeover Provisions:** The same provisions that exist in the Company's current Constitution will be renewed in the New Constitution for the purposes of section 648G of the Corporations Act. Further details in relation to the renewal as required by the Corporations Act is set out below.

#### **Renewal of proportional takeover provisions**

The Company's Constitution contains the Proportional Takeover Provisions, which provide that the Company can refuse to register Shares acquired under a proportional takeover bid unless an approving resolution is passed by Shareholders.

Section 648G(1) of the Corporations Act provides that a company's proportional takeover provisions will cease to have effect at the end of three years from the date of adoption (or renewal, as the case may be). Clause 35 of the Company's Constitution was adopted by on 1 December 2016. The Company accordingly seeks the Shareholder approval of this Resolution for the renewal of the Proportional Takeover Provisions, which, for the purposes of the Corporations Act, requires the same process to amend or adopt a new constitution for the purposes of 136(2) of the Corporations Act. Shareholder approval will not result in a change to the wording of clause 35 of the Company's current Constitution.

The following information is provided for the purposes of Section 648G of the Corporations Act.

### **Proportional takeover bid**

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of the Shareholder's Shares. If a Shareholder accepts, in full, an offer under a proportional takeover bid, the Shareholder will only dispose of a specified portion of their Shares in the Company and retain the balance of the Shares.

The Proportional Takeover Provisions are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company by providing, in the Constitution, that:

- (a) in the event of a proportional takeover bid being made for Shares in the Company, Shareholders are required to vote and collectively decide whether to accept or reject the offer; and
- (b) the majority decision of the Company's members will be binding on all Shareholders.

### **Effect of the proposed provisions**

Where offers have been made under a proportional takeover bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional takeover bid is prohibited unless and until a resolution to approve the proportional takeover bid is passed by Shareholders or otherwise, as pursuant to the terms of the Proportional Takeover Provisions.

In more detail, the effect of the Proportional Takeover Provisions is as follows:

- (a) if a proportional takeover bid is made for Securities of the Company, the Directors must ensure that a meeting of Shareholders is convened to vote on a resolution to approve that bid;
- (b) the bidder and persons associated with the bidder may not vote;
- (c) approval of the bid will require a simple majority of the votes cast;
- (d) the meeting must take place more than 14 days before the last day of the bid period (**Resolution Deadline**);
- (e) if the resolution is rejected before the Resolution Deadline, the bid cannot proceed and any transfers giving effect to takeover contracts for the bid will not be registered;
- (f) the bid will be taken to have been approved if, as at the end of the day before the Resolution Deadline, the resolution has not been voted on;
- (g) if the resolution is approved, the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution); and
- (h) the Directors will breach the Corporations Act if they fail to ensure the resolution is voted on. However, the bid will still be taken to have been approved if it is not voted on within the Resolution Deadline.

The Proportional Takeover Provisions do not apply to full takeover bids. If the Proportional Takeover Provisions are renewed, they will cease to apply at the end of three years after renewal unless renewed by a Special Resolution of Shareholders.

### **Reasons for the proposed provisions**

In the absence of the Proportional Takeover Provisions, a proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders could be exposed to the risks of passing control to the bidder without payment of an adequate control premium for all their Shares and being left with a minority interest in the Company. Such Shareholders could suffer potential further loss if the takeover bid were to cause a decrease in the Share price or otherwise make the Shares less attractive and, therefore, more difficult to sell.

## **Knowledge of any acquisition proposals**

As at the date of this Notice of Meeting, no Director is aware of any proposal to acquire, or to increase the extent of, a substantial interest in the Company.

## **Advantages and disadvantages during the period in which they have been in effect**

The Directors consider that the Proportional Takeover Provisions had no advantages or disadvantages for them during the period in which they have been in effect.

The advantages and disadvantages of the Proportional Takeover Provisions for Shareholders include those set out below, which were applicable during the period in which they have been in effect.

## **Potential advantages and disadvantages**

The renewal of the Proportional Takeover Provisions will enable the Directors to formally ascertain the views of the Shareholders in respect of a proportional takeover bid. Without such provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that the Proportional Takeover Provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the Proportional Takeover Provisions for Shareholders include:

- (a) providing the right to discuss, in a meeting called specifically for that purpose, and then decide, by majority vote, whether an offer under a proportional takeover bid should proceed;
- (b) assisting the prevention of Shareholders being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced;
- (d) potentially increasing the likelihood of a full takeover bid rather than a proportional takeover bid; and/or
- (e) enabling individual Shareholders to better assess the likely outcome of the proportional takeover bid, by knowing the view of the majority of Shareholders, which may assist in deciding whether to accept or reject an offer under the bid;

The potential disadvantages of the Proportional Takeover Provisions for Shareholders include:

- (a) imposing a hurdle to, and potentially discouraging the making of, provisional takeover bids which, in turn, may reduce any takeover speculation element in the price of Shares;
- (b) potentially reducing the likelihood of success of a proportional takeover bid;
- (c) possible reduction or loss of opportunities for Shareholders sell some or all of their Shares at a premium; and/or
- (d) potentially causing some Shareholders to form the view that the Proportional Takeover Provisions impose an unreasonable restriction on their ability to freely deal with their Shares.

## **New Constitution**

Prior to the Meeting, a copy of the New Constitution is available for review by Shareholders at the Company's registered office during normal business hours. A copy of the New Constitution can also be sent to Shareholders of the Company upon a request being made to the Company Secretary on (02) 8072 1400.

A complete signed copy of the New Constitution will be tabled at the Meeting.

Pursuant to section 136(2) of the Corporations Act, a modification to the Company's Constitution can only be effected by way of a Special Resolution passed by its Shareholders. Therefore, this Resolution is a Special Resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on this Resolution are voted in its favour.

## Professional Advice

If you have any doubt or do not understand this Resolution, it is strongly recommended that you seek advice from a solicitor or other professional advisor.

## Directors' Recommendation

The Board of Directors recommend Shareholders vote for this Resolution.

## **Financial Assistance by Uni-Span Group Pty Ltd and its Subsidiaries**

### **Resolution 8 – Financial assistance by Uni-Span Group Pty Ltd and its Subsidiaries**

#### **Background**

This Explanatory Statement has been prepared in connection with this Resolution, which is proposed to be passed as a special resolution of the Company pursuant to section 260B(2) of the Corporations Act to approve the giving of financial assistance within the meaning of section 260A of the Corporations Act by *Uni-Span Group Pty Ltd ACN 131 921 116 and its subsidiaries Uni-Span Height Safety Pty Ltd ACN 122 411 198, Uni-Span Australia Pty Ltd ACN 099 939 287 and Uni-Span Formwork Solutions Pty Ltd ACN 158 121 361 (Uni-Span Companies)*. This Explanatory Statement forms part of and should be read with the Notice of Annual General Meeting.

#### **Background**

On 17<sup>th</sup> October 2019, the board of the Company, namely Acrow Formwork and Construction Services Limited ACN 124 893 465 (**Purchaser**) resolved to enter into an Agreement ("the Agreement") to acquire all of the issued share capital in Uni-Span Group Pty Ltd ACN 131 921 116 (**Acquisition**). Completion of the Agreement is anticipated to take place on 31 October 2019, subject to satisfaction of its terms and conditions. The cash component of \$12,750,000.00 to be paid on completion of the Acquisition is to be provided by the Purchaser by borrowing funds from Westpac Banking Corporation (**Financier**) under a new facility as part of the Company's facility agreement (**Facility Agreement**).

The Facility Agreement was extended by including a Bank Bill Business Loan of \$13,750,000, to be known as Facility B. This is in addition to the existing Facility A, a Bank Bill Business Loan of \$5,394,000 (amortising); Facility C, Flexible Options Finance of \$3,000,000; Facility D, Westpac Equipment Finance – Revolving Facility Limit of \$5,000,000; Facility E, Foreign Exchange Contract of \$500,000; and Facility F, Westpac Corporate Card of \$150,000.

It is a requirement of the Facility Agreement that each Uni-Span Company enters into certain security documents (including a Guarantee and Indemnity, a General Security Agreement, and other ancillary documents) in relation to the Facility Agreement. The obligations of Uni-Span Companies in connection with securities for Facility B which Facility will provide to the Borrower funds which can be considered to be advanced in connection with the Acquisition, will not come into effect unless and until the requirements of shareholder approval under section 260B(2) of the Corporations Act have been met.

The actions of the Uni-Span Companies, by agreeing to guarantee and grant security in connection with Facility B, constitute the giving of financial assistance within the meaning of Part 2J.3 of the Corporations Act. Under section 260A(1) of the Corporations Act, any such financial assistance must be approved by the shareholders of each Uni-Span Company, by a resolution passed at a general meeting of that company. In addition, as each Uni-Span Company will be a subsidiary of the Company which is a listed domestic corporation, under section 260B(2) of the Corporations Act the financial assistance must also be approved by a special resolution passed at a general meeting of shareholders of the Company. As the ultimate holding company of the Uni-Span Companies, the financial assistance by the Uni-Span Companies cannot be provided without the approval of shareholders of the Company.

## Shareholder approval

Pursuant to, and for the purposes of, sections 260A(1) and 260B(2) of the Corporations Act, shareholders are asked to approve, by special resolution, the giving by the Uni-Span Companies of the financial assistance described in this Explanatory Statement.

## Board recommendation

The Directors unanimously recommend shareholders vote in favour of the resolution for the approval of financial assistance by the Uni-Span Companies.

## Explanation of Principle of Financial Assistance

The provision of the Security Documents by the Uni-Span Companies and any Refinance or any amendment or replacement documents of any of the Facility Agreement, the Security Documents and any Refinance by the Uni-Span Companies for the purpose of securing the obligations of the Company under the Facility Agreement may amount to financial assistance, in connection with the Acquisition, for the purpose of section 260A of the Corporations Act.

Under section 260A of the Corporations Act a company may financially assist a person to acquire shares in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act, or
- (c) the assistance is exempted under section 260C of the Corporations Act.

The directors of the Uni-Span Companies are to resolve following completion of the Agreement to seek the approval of the shareholders of the Uni-Span Companies to the provision of the financial assistance by the Uni-Span Companies.

In addition, pursuant to section 260B(2) of the Corporations Act, as each Uni-Span Company will be a subsidiary of the Company and the Company is a listed domestic corporation, the members of the Company must pass a special resolution approving the financial assistance to be given by the Uni-Span Companies.

The directors of the Company have resolved to seek the approval of the Shareholders of the Company to the provision of the financial assistance, and the resolution to be passed by the members of the Company is set out in the Notice of Annual General Meeting.

## Further Particulars of Financial Assistance proposed to be given

The Facility Agreement requires that, among other group companies, each Uni-Span Company grants the following securities:

- (a) Fully Interlocking Debt & Interest Guarantee & Indemnity; each Uni-Span Company proposes to give a guarantee of, and indemnity for, the obligations of the Borrower in connection with the Facility Agreement (**Guarantee**). The obligations of each Uni-Span Company under the Guarantee and Indemnity shall not come into effect in respect of Facility B unless and until the requirements of shareholder approval under section 260B(1) and section 260B(2) of the Corporations Act have been met. Once the Guarantee and Indemnity comes into effect it shall remain in force and effect until all moneys, obligations and liabilities have been paid, discharged or satisfied.
- (b) General Security Agreement; the obligations under the Guarantee and Indemnity will be secured by a General Security Agreement granted by each Uni-Span Company in favour of the Financier.
- (c) Other; each Uni-Span Company may also execute, or accede to, any document ancillary to, or in connection with, the Facility Agreement. Each Uni-Span Company will be asked by the Financier to provide information about its finances and resources to the Financier, and to provide representations and warranties to the Financier as may be requested by the Financier or as may



be contained in the Financier's security documentation.

### **Other Parties Granting Securities**

Guarantees and Indemnities, and General Security Agreements, are also being granted to the Financier by the Company / Purchaser.

### **Effect of the Proposed Financial Assistance**

If the Borrower does not repay the facility in full when due and payable, then each guarantor of the debt under the guarantee and indemnity and each security provider under the security documents, including Uni-Span Companies, will be jointly and severally obliged to meet the liability.

Entry into the security documents by Uni-Span Companies will mean that it incurs joint and several liabilities arising out of those documents in connection with the monies guaranteed. This liability may adversely affect the ability of Uni-Span Companies to obtain additional finance from other sources in future.

Uni-Span Companies will also need to comply with all representations and warranties given by it to the Financier.

### **Reasons for Supporting the Resolution**

Provision of the securities to the Financier by Uni-Span Companies is a condition of the Facility Agreement and will enable the Company and its subsidiaries to meet their financial obligations and to have continued access to funding. If the securities are not provided to the Financier by Uni-Span Companies, there will be an event of default under the Facility Agreement and the funds advanced by the Financier may be required to be repaid, with the result that alternative funding may need to be sought by the Company.

The directors of the Company consider the financing arrangements entered into with the Financier to be reasonable and manageable and have no reason at this time to believe that there will be a risk of default, or that the Uni-Span Companies will not be able to pay their debts as and when they fall due.

The directors of the Company believe that in all of the circumstances, the entry into of the Security Documents by the Uni-Span Companies will not materially prejudice their ability to pay their creditors, and is in the best interests of the Uni-Span Companies.

### **Notice to ASIC**

Copies of the Notice of Annual General Meeting and this Explanatory Statement were lodged with ASIC before being sent to the members, in accordance with section 260B(5) of the Corporations Act.

### **Disclosure**

The Company considers this statement to contain all material information known to it that could reasonably be required by a member in deciding how to vote on the proposed resolution other than information that would be unreasonable to require a company to disclose because the company has previously disclosed that information to the member.

## **Enquiries**

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



# Glossary

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2019 Annual Report to Shareholders for the period ended 30 June 2019 as lodged by the Company with ASX on 27 September 2019.

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

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

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

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

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

**Auditor's Report** means the auditor's report of KPMG dated 27 September 2019 as included in the Annual Financial Report.

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

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

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

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

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

**Company** means Acrow Formwork and Construction Services Limited ACN 124 893 465.

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

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

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

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

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

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

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

**LTIP** means the employee incentive scheme entitled "Long Term Incentive Plan" for which Shareholder approval is being sought for the adoption of under Resolution 6 of this Notice of Meeting.

**Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting dated 28 October 2019 including the Explanatory Statement.

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

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

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

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

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

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

**Restricted Securities** has the meaning as defined by the Listing Rules.

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

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

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

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

**Share Registry** means Automic Group, Level 5, 126 Phillip Street, Sydney NSW 2000.

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

**Spill Meeting** means the meeting that will be convened within 90 days of the 2020 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2020 AGM.

**Spill Resolution** means the resolution required to be put to Shareholders at the 2020 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2020 AGM.

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

**Uni-Span** means Uni-Span Group Pty Ltd ACN 131 921 116

**VWAP** means the volume weighted average market (closing) price, with respects to the price of Shares.

# Annexure A – Long Term Incentive Plan

# **Long Term Incentive Plan Rules**

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**Acrow Formwork and Construction Services Limited**

ACN 124 893 465

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# 1 DEFINITIONS AND INTERPRETATION

## 1.1 Definitions

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

**Acquisition Price** means:

- (a) in relation to a Share Award, the issue price or purchase price of the Share Award offered for subscription or purchase (if any and as the case may be) to an Eligible Employee in accordance with the Invitation Letter; or
- (b) in relation to a Loan Funded Share, the price at which the Company offers the Loan Funded Share to an Eligible Employee as specified in the Invitation Letter, being normally equal to or above the Market Value of the Loan Funded Share.

**After Tax Dividend Amount** means that amount equal to the total cash dividend paid on Loan Funded Shares held by a Participant less the amount remaining after deducting the maximum taxation amount payable in respect of that cash dividend, calculated using the Participant's highest marginal tax rate.

**Applicable Law** means any one or more or all, as the context requires of:

- (a) the Corporations Act and/or any other applicable securities or corporations laws;
- (b) the Listing Rules;
- (c) the Constitution;
- (d) the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) and/or any other applicable taxation laws, each as amended from time to time;
- (e) any practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend paragraphs (a), (b), and (d); and
- (f) any other legal requirement that applies to the Plan and/or the Loan Agreement (if applicable),
- (g) which apply to the jurisdiction in which the Eligible Employee receives the Award and the jurisdiction in which the Company primarily operates from time to time.

**Application** means an application by an Eligible Employee to participate in the Plan made in response to an Invitation Letter.

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

**ASX** means ASX Limited (ABN 98 008 624 691) or the securities exchange it operates as the context requires.

**Award** means:

- (a) an Option;
- (b) a Performance Right;
- (c) a Share Award; and/or
- (d) a Loan Funded Share,
- (e) as the case may be.

**Bad Leaver** means, unless otherwise determined by the Board in its sole and absolute discretion, a Participant who ceases employment or office with any Group Company in any of the following circumstances:



- (a) the Participant resigns from their employment or office other than where a Director resigns from his or her position as Director for the purpose of allowing a new Director with a different skill set to join the Board;
- (b) the employment of the Participant is terminated due to poor performance; or
- (c) the Participant's employment is terminated, or the Participant is dismissed from their office, for any of the following reasons:
  - (i) the Participant has committed any serious or persistent breach of the provisions of any employment contract entered into by the Participant with any Group Company;
  - (ii) the Participant being guilty of fraudulent or dishonest conduct in the performance of the Participant's duties, which in the reasonable opinion of the relevant Group Company effects the Participant's suitability for employment with that Group Company, or brings the Participant or the Group into disrepute;
  - (iii) the Participant has been convicted of any criminal offence which involves fraud or dishonesty;
  - (iv) the Participant has committed any wrongful or negligent act or omission which has caused any Group Company substantial liability;
  - (v) the Participant has become disqualified from managing corporations in accordance with Part 2D.6 of the Corporations Act or has committed any act that may result in the Participant being banned from managing a corporation under the Corporations Act; or
  - (vi) the Participant has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment without notice.

**Board** means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or any person who is provided with delegated authority by the board of directors from time to time, as delegated in accordance with clause 21.3.

**Business Day** means a day on which banks are open for general banking business in New South Wales, excluding Saturdays, Sundays or public holidays in New South Wales.

**Buy-Back** means the purchase by the Company of Share Awards or Loan Funded Shares (as the case may be) or the buy-back by the Company of Plan Shares pursuant to clause 15 and Bought-Back has a similar meaning.

**Cancel** means the cancellation of Options and/or Performance Rights by the Company for payment of any consideration to the relevant Participant as required under clause 8.12 and Cancellation and Cancelled has a similar meaning.

**Certificate** means the certificate issued by the Company to a Participant in respect of an Option and/or a Performance Right (as the case may be).

**Change of Control Event** means:

- (a) where a person or entity becomes a legal or beneficial owner of 50% or more of the issued share capital of the Company;
- (b) where a person or entity becomes entitled to, acquires, holds or has an equitable interest in more than 50% of the issued share capital of the Company; or
- (c) the Board determines that there are circumstances that have occurred or are likely to occur which will result in significant changes to the structure or control of the Company which may adversely affect the value of Awards.

**Company** means Acrow Formwork and Construction Services Limited ACN 124 893 465.

**Constitution** means the constitution of the Company, as amended from time to time.

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

**Director** means a director of any Group Company.

**Dividend Payment Date** means the date on which the Company pays dividends on the Loan Funded Shares.

**Drawdown Date** means the date on which a Loan is made to a Participant.

**Eligible Employee** means:

- (a) any Director or Employee who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Awards under the Plan; or
- (b) any other natural person providing services to the Group and who is declared by the Board in its sole and absolute discretion to be eligible to receive grants of Awards under the Plan.

**Employee** means a full-time or part-time employee of any Group Company.

**Exercise Period** means the period up to the Expiry Date during which a vested Option may be exercised, and as determined by the Board under clause 8.5.

**Exercise Price** means the exercise price payable by a Participant to acquire a Plan Share upon the exercise of an Option as specified by the Board in the Invitation in its sole and absolute discretion.

**Expiry Date** means:

- (a) the date 10 years from the Grant Date of any Awards; or
- (b) any other date determined by the Board and as specified in the Invitation,

after which the Awards will, in the case of Options and/or Performance Rights, automatically lapse under clause 8.11, or in the case of Share Awards and/or Loan Funded Shares, be surrendered by the Participant in accordance with clause 14 (as applicable).

**Fee** means any fee payable by a Participant to the Company on the grant of an Option and/or Performance Right to the Participant, and as determined by the Board in its sole and absolute discretion.

**Forfeiture Conditions** means any criteria, requirements or conditions as determined by the Board (as specified in the Invitation Letter) or under these Rules which if met (notwithstanding the satisfaction or waiver of any Performance Hurdles and Vesting Conditions) will result in the lapsing of Options and/or Performance Rights or a Participant surrendering Share Awards and/or Loan Funded Shares under clause 14.

**Good Leaver** means a Participant who ceases employment or office with any Group Company and is not a Bad Leaver.

**Grant Date** means the date on which Awards are granted to a Participant following the acceptance of an Application.

**Group** means the Company and its Related Bodies Corporate and Group Company means any one of them.

**Invitation** means an invitation to an Eligible Employee to apply for the grant of Awards under these Rules.

**Invitation Letter** means a letter from the Company to an Eligible Employee, which contains the Invitation.

**Issued Capital** means issued ordinary shares whether fully paid or not.

**Listing Rules** means the listing rules, market rules or operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation, including but not limited, the listing rules of the ASX.

**Loan** means a loan to a Participant to assist in funding the acquisition of Loan Funded Shares, as set out in clause 10.4.

**Loan Agreement** means an agreement entered into by the Company (or a Group Company) and a Participant which sets out the terms and conditions upon which the Company (or the Group Company) will make a Loan to the Participant.

**Loan Funded Share** means a Share issued, transferred or allocated in accordance with clause 10.

**Loan Term** means the time by which the Loan must be fully repaid, commencing on the Drawdown Date, as specified in the Invitation Letter.

**Market Value** means:

- (a) in relation to Options and Performance Rights, a value determined by application of a valuation methodology approved by the Board; and

in relation to Share Awards, Loan Funded Shares and Plan Shares, the 'volume weighted average market price' (as that term is defined in the Listing Rules) per Share during the previous five trading days.

**Nominal Consideration** means the payment to a Participant of \$10, or another amount as determined by the Board at its sole discretion.

**Notice of Exercise** means a notice of exercise of Options or Performance Rights (as the case may be) in the form determined by the Board from time to time.

**Option** means an option granted under this Plan to subscribe for, acquire and/or be allocated (as determined by the Board in its sole and absolute discretion) one Plan Share subject to the satisfaction of any Vesting Conditions and/or Performance Hurdles, and payment of the relevant Exercise Price (if any).

**Participant** means a person who has been offered Awards and who has returned a corresponding Application to the Company that has been accepted by the Company pursuant to these Rules.

**Performance Hurdles** means any ongoing minimum performance requirements (as specified in the Invitation Letter and determined by the Board in its sole and absolute discretion) that are to apply to Awards granted to a Participant.

**Performance Right** means an entitlement of a Participant granted under this Plan to subscribe for, acquire and/or be allocated (as determined by the Board in its sole and absolute discretion) one Plan Share subject to the satisfaction of any Vesting Conditions and/or Performance Hurdles. For the avoidance of doubt, a Performance Right has a nil Exercise Price.

**Plan** means the Long Term Incentive Plan established in accordance with these Rules.

**Plan Share** means any Share issued or transferred to a Participant upon exercise of an Option, or any Share issued or transferred to a Participant upon automatic exercise of a Performance Right.

**Related Body Corporate** has the meaning given in section 9 of the Corporations Act.

**Repayments** means the total of any amounts paid in reduction of a Loan.

**Rules** means these rules in respect of the operation of the Plan, as amended from time to time and includes all addendums and schedules to these rules.

**Securities** has the meaning given in the ASX Listing Rules.

**Security Interest** means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

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

**Share Award** means a Share issued, transferred or allocated in accordance with clause 9.

**Share Trading Policy** means any Company share trading policy as implemented and amended from time to time.

**Shareholder** means any holder of Issued Capital of the Company.

**Shareholder Approval** means any prior consent or affirming resolution that needs to be obtained from Shareholders before an action is taken or determination made under these Rules.

**Term** means the period commencing on the Grant Date and ending on the Expiry Date (inclusive).

**Vesting Condition** means any time based requirement or condition (as specified in the Invitation Letter and determined by the Board in its sole and absolute discretion) which must be met prior to Awards vesting in a Participant.

**Vesting Notification** means a notice from the Board to a Participant informing the Participant that the Participant's Awards have vested.

## 1.2 Interpretation

In these Rules, unless otherwise stated or the contrary intention appears:

- (a) the singular includes the plural and vice versa;
- (b) a gender includes all genders;
- (c) a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;
- (d) a reference to a person includes a reference to the person's executors, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (e) in these Rules any reference to include means to include without limitation; and
- (f) references to dollars and \$ are references to Australian dollars and all amounts payable under these Rules are payable in Australia dollars.

## 1.3 Applicable Laws

These Rules, the offering and granting of any Awards, the issuing and/or transferring of Plan Shares, and the rights attaching to or interests in the Awards and Plan Shares, will at all times be subject to all Applicable Laws.

## 1.4 Rounding

Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of an Award or a Plan Share, the fraction will be eliminated by rounding to the nearest whole number.

## 1.5 Headings

Headings are inserted in these Rules for convenience only and do not affect the interpretation of these Rules.

## **1.6 Constitution**

The entitlements of Eligible Employees and Participants under these Rules are subject to the Constitution. In the event of any inconsistency between these Rules and the Constitution, the terms of the Constitution will prevail to the extent of that inconsistency.

## **2 PURPOSE**

The purpose of the Plan is to:

- (a) assist in the reward, retention and motivation of Eligible Employees;
- (b) link the reward of Eligible Employees to Shareholder value creation; and
- (c) align the interests of Eligible Employees with Shareholders by providing an opportunity to Eligible Employees to earn rewards via an equity interest in the Company based on creating Shareholder value.

## **3 COMMENCEMENT OF THE PLAN**

The Plan will commence on the date determined by resolution of the Board.

## **4 MAXIMUM AWARD ALLOCATION**

Unless prior Shareholder Approval is obtained, the number of Awards which may be granted under this Plan (assuming all Options and Performance Rights were exercised) must not at any time exceed in aggregate 10% of the total Issued Capital of the Company at the date of any proposed new Awards.

## **5 ELIGIBILITY AND GRANT**

### **5.1 Participation**

The Board may from time to time in its sole and absolute discretion determine that an Eligible Employee may participate in the Plan.

### **5.2 Selection**

Following determination that an Eligible Employee may participate in the Plan, the Board may at any time and from time to time make an Invitation to the Eligible Employee.

### **5.3 Awards that may be made under the Plan**

The Company may, at the sole and absolute discretion of the Board, offer and issue to an Eligible Employee any (or any combination) of the different types of Awards provided under the Plan, as set out in the Invitation Letter.

### **5.4 Invitation**

Subject to clause 6.1, the manner, form, content, timing and frequency of an Invitation Letter and Application will be as determined by the Board in its sole and absolute discretion.

### **5.5 Application**

Unless otherwise determined by the Board in its sole and absolute discretion, an Eligible Employee who wishes to apply to participate in the Plan in response to an Invitation must, on or before the period of time allowed for acceptance of the Invitation, give an Application:

- (a) to the person specified in the Invitation;
- (b) in accordance with any instructions or conditions set out in the Invitation; and
- (c) in the case of a grant of Options and/or Performance Rights, on the acceptance by the Board of the Application, the notice confirming the grant of the Options and/or Performance Rights (as the case may be) will be accompanied by a Certificate.

## **5.6 Multiple Invitations**

Unless otherwise determined by the Board in its sole and absolute discretion, the Board may grant any number of Awards to an Eligible Employee, as set out in any Invitation Letter, notwithstanding that a grant or grants may have been previously made to the Eligible Employee.

## **6 TERMS OF AWARDS**

### **6.1 Board determination**

- (a) The terms and conditions of Awards offered or granted under these Rules to each Eligible Employee will be:
  - (i) determined by the Board in its sole and absolute discretion and include as a minimum:
    - (A) the type of Award(s);
    - (B) the number of Awards;
    - (C) the Grant Date;
    - (D) in the case of a Share Award or a Loan Funded Share, the Acquisition Price (if any);
    - (E) in the case of an Option or a Performance Right, the Fee (if any);
    - (F) the Performance Hurdles (if any);
    - (G) the Vesting Conditions (if any);
    - (H) in the case of an Option, the Exercise Price (if any);
    - (I) in the case of an Option, the Exercise Period;
    - (J) the Expiry Date and Term;
    - (K) the Forfeiture Conditions (if any);
    - (L) any rights attaching to the Awards and/or the Plan Shares in respect of which the Options and/or Performance Rights are exercisable; and
    - (M) any disposal restrictions attaching to the Awards and/or Plan Shares; and
  - (ii) set out in an Invitation Letter delivered to the Eligible Employee.
- (b) The terms of any Loan offered in connection with Loan Funded Shares granted to an Eligible Employee, as determined by the Board in its sole and absolute discretion, will be set out in a Loan Agreement delivered to the Eligible Employee.

### **6.2 Awards to be recorded**

Awards will be recorded in the appropriate register of the Company.

### **6.3 Listing**

Unless determined otherwise by the Board in its sole and absolute discretion, Options and Performance Rights issued under the Plan will not be quoted on the ASX or any other recognised stock exchange.

## **7 EMPLOYEE SHARE TRUST**

The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Awards and/or Plan Shares for Participants under the Plan, and delivering Plan Shares on behalf of Participants upon exercise of Options and/or Performance Rights (as the case may be).

## **8 OPTIONS AND PERFORMANCE RIGHTS**

### **8.1 Performance Hurdles and Vesting Conditions**

Options and/or Performance Rights (as the case may be) will only vest and be exercisable if the applicable Performance Hurdles and/or Vesting Conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules.

### **8.2 Option and Performance Right entitlements**

Subject to the Board determining otherwise prior to an Invitation, and subject to these Rules, each vested Option and each vested Performance Right entitles the Participant holding the Option or the Performance Right to subscribe for, or to be transferred, one Plan Share, in the case of an Option, on payment of the Exercise Price (if any).

### **8.3 Participant rights**

A Participant who holds Options and/or Performance Rights is not entitled as a result to:

- (a) notice of, or to vote at or attend, a meeting of the Shareholders unless and until the Options and/or Performance Rights are exercised and the Participant holds Plan Shares; or
- (b) receive any dividends declared by the Company in respect of such Options and/or Performance Rights.

### **8.4 No transfer of Options or Performance Rights**

Options and/or Performance Rights granted under this Plan may not be assigned, transferred, encumbered with a Security Interest in or over them, or otherwise disposed of by a Participant, unless:

- (a) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, encumbrance or disposal as the Board sees fit; or
- (b) such assignment or transfer occurs by force of law upon the death of a Participant to the Participant's legal personal representative.

### **8.5 Exercise Period for Options**

The Exercise Period for any Option will be as determined by the Board in its sole and absolute discretion.

### **8.6 Method of exercise**

- (a) In the case of an Option, following the issue of a Vesting Notification to the Participant, the vested Option is exercisable by the Participant within the Exercise Period specified by the Board in the Invitation Letter, subject to the Participant delivering to the registered office of the Company or such other address as determined by the Board:
  - (i) a signed Notice of Exercise;
  - (ii) subject to clause 8.8, a cheque or cash or such other form of payment determined by the Board in its sole and absolute discretion as satisfactory for the amount of the Exercise Price (if any); and
  - (iii) the relevant Certificate, or documentary evidence satisfactory to the Board that the relevant Certificate was lost or destroyed.
- (b) In the case of a Performance Right, following the issue of a Vesting Notification to the Participant, a vested Performance Right may be exercised by the Participant at their sole election by delivering to the registered office of the Company or such other address as determined by the Board, a signed Notice of Exercise, at any time prior to the date which is 15 years from the allotment date (or other date as determined by the Board).

## **8.7 No issue unless cleared funds**

Where a cheque is presented as payment of the Exercise Price on the exercise of Options, the Company will not, unless otherwise determined by the Board, allot and issue or transfer Plan Shares until after the cheque delivered in payment of the Exercise Price has been cleared by the banking system.

## **8.8 Cashless exercise of Options**

The Board may determine in its sole and absolute discretion that a Participant will not be required to provide payment of the Exercise Price of Options by cash, cheque or some other method acceptable to the Company, but that on exercise of the Options the Company will only allot and issue or transfer that number of Plan Shares to the Participant that are equal in value to the difference between the Exercise Price otherwise payable in relation to the Options and the then Market Value of the Plan Shares as at the time of the exercise (with the number of Plan Shares rounded down).

## **8.9 Minimum Exercise**

Options must be exercised in multiples of 100 unless fewer than 100 Options are held by a Participant or the Board otherwise agrees.

## **8.10 Actions on exercise**

On completion of the exercise of Options and/or Performance Rights (as the case may be):

- (a) the Options and/or Performance Rights will automatically lapse;
- (b) the Company will allot and issue, or transfer, the number of Plan Shares for which the Participant is entitled to subscribe for or acquire through the exercise of such Options and/or Performance Rights (as the case may be); and
- (c) issue a substitute Certificate(s) for any remaining Options and/or Performance Rights (as the case may be).

## **8.11 Lapsing of Options and/or Performance Rights**

- (a) Unless the Board otherwise determines in its sole and absolute discretion, Options and/or Performance Rights will lapse on the earlier of:
  - (i) the application of clauses 11 or 12;
  - (ii) the application of clause 13;
  - (iii) the application of clause 18;
  - (iv) if applicable Performance Hurdles and/or Vesting Conditions are not achieved by the relevant time;
  - (v) if the Board determines in its reasonable opinion that the applicable Performance Hurdles and/or Vesting Conditions have not been met and cannot be met prior to the Expiry Date; or
  - (vi) the Expiry Date.
- (b) Where a Participant's Options and/or Performance Rights (as the case may be) have lapsed under clause 8.11(a), the Company will:
  - (i) notify the Participant that the Options and/or Performance Rights held by them have lapsed;
  - (ii) do such things and entersuch arrangements with the Company's share registry or otherwise as it considers necessary, and the Participant will be bound by any action by the Company under this clause 8.11; and



- (iii) not be liable for any damages, compensation or other amounts to the Participant in respect of the Options and/or Performance Rights.

## **8.12 Cancellation of Options and/or Performance Rights**

- (a) Notwithstanding any other provisions of the Plan, and subject to Applicable Laws, if a Participant and the Board have agreed in writing that some or all of the Options and/or Performance Rights granted to that Participant may be Cancelled on a specified date or on the occurrence of a particular event, then the Board may Cancel those Options and/or Performance Rights on the relevant date or on the occurrence of the particular event (as the case may be).
- (b) Where Options and/or Performance Rights are to be Cancelled by the Company, the Company may do such things and enter such arrangements with the Company's share registry or otherwise as it considers necessary to enforce any Cancellation and the relevant Participant will be bound by any action by the Company under this clause 8.2.

## **9 SHARE AWARDS**

### **9.1 Invitation to acquire Share Awards**

The Board may from time to time make an Invitation to an Eligible Employee to acquire Share Awards under the Plan.

### **9.2 Acquisition Price**

The Board will determine in its sole and absolute discretion the Acquisition Price (if any) for each Share Award. The Acquisition Price will be specified in the Invitation Letter and may be Nil.

### **9.3 Performance Hurdles and/or Vesting Conditions**

- (a) Where Share Awards granted to a Participant are subject to Performance Hurdles and/or Vesting Conditions (as determined by the Board in its sole and absolute discretion and as specified in the Invitation Letter), the Participant's Share Awards will be subject to the restrictions set out in clause 17 unless and until the applicable Performance Hurdles and/or Vesting Conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules.
- (b) Following the issue of a Vesting Notification to the Participant, the Share Awards held by the Participant will no longer be subject to any restrictions under clause 17 and may then be transferred or sold by the Participant.
- (c) If the Board determines that a Participant has not or is unable to satisfy the Performance Hurdles and/or Vesting Conditions (if any), unless otherwise determined by the Board in its sole and absolute discretion:
  - (i) the Participant will forfeit any right or interest in the Share Awards and other entitlements of the Participant under the Plan in relation to those Share Awards; and
  - (ii) those Share Awards will be treated as surrendered by the Participant in accordance with clause 14.

### **9.4 Participant rights**

A Participant who holds Share Awards has the rights set out in clause 16.

## **10 LOAN FUNDED SHARES**

### **10.1 Invitation to acquire Loan Funded Shares**

The Board may from time to time make an Invitation to an Eligible Employee to acquire Loan Funded Shares under the Plan.

## **10.2 Acquisition Price**

The Board will determine in its sole and absolute discretion the Acquisition Price for each Loan Funded Share.

## **10.3 Performance Hurdles and/or Vesting Conditions**

- (a) Where Loan Funded Shares granted to a Participant are subject to Performance Hurdles and/or Vesting Conditions (as determined by the Board in its sole and absolute discretion and as specified in the Invitation Letter), the Participant's Loan Funded Shares will be subject to the restrictions set out in clause 17 unless and until the applicable Performance Hurdles and/or Vesting Conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under these Rules.
- (b) Following the issue of a Vesting Notification to the Participant and after the full repayment of the Loan, the Loan Funded Shares held by the Participant will no longer be subject to any restrictions under clause 17 and may then be transferred or sold by the Participant.
- (c) If the Board determines that a Participant has not or is unable to satisfy the Performance Hurdles and/or Vesting Conditions (if any), unless otherwise determined by the Board in its sole and absolute discretion:
  - (i) the Participant will forfeit any right or interest in the Loan Funded Shares and other entitlements of the Participant under the Plan in relation to those Loan Funded Shares;
  - (ii) those Loan Funded Shares will be treated as surrendered by the Participant in accordance with clause 14; and
  - (iii) the Company will acknowledge the Participant's surrender of those Loan Funded Shares as full consideration for the repayment of the Loan.

## **10.4 Invitation of Loan**

- (a) Unless otherwise determined by the Board in its sole and absolute discretion:
  - (i) when the Company makes an Invitation to an Eligible Employee to acquire Loan Funded Shares under the Plan, the Company (or any Group Company) will also offer the Eligible Employee a Loan on terms and conditions to be determined by the Board for the purposes of acquiring all or part of the Loan Funded Shares which are the subject of the Invitation; and
  - (ii) an Eligible Employee, who accepts an Invitation in relation to Loan Funded Shares, must also accept the Loan offered in accordance with clause 10.6.

## **10.5 Loan amount**

Unless otherwise determined by the Board in its sole and absolute discretion, the amount of the Loan will equal to the total Acquisition Price for the subscription or purchase of all or part of the Loan Funded Shares which are the subject of the Invitation.

## **10.6 Application of Loan moneys**

A Participant who accepts a Loan in respect of the Loan Funded Shares in respect of which an Invitation has been made to the Participant will irrevocably authorise the Company or a Group Company (as the case may be) to apply the funds on behalf of the Participant by way of payment of the total Acquisition Price of the Loan Funded Shares to which the offer of the Loan was accepted.

## **10.7 Loan Interest**

The Board will determine at its sole and absolute discretion:

- (a) whether a Loan will be interest bearing or interest-free; and

- (b) if the Loan is interest-bearing, the interest rate that will apply, and which is to be set out in the Invitation Letter.

## **10.8 Repayment of Loan**

- (a) A Participant may repay all or part of a Loan at any time before the expiration of the Loan Term, and at the expiration of the Loan Term the Participant must immediately repay all of the Loan.
- (b) If the Loan becomes due and payable under clause 10.12:
  - (i) in respect of the Participant's repayment obligation under the Loan, the Company will not have any recourse beyond the Participant's Loan Funded Shares; and
  - (ii) where the then Market Value of the total Loan Funded Shares held by the Participant is less than the Loan:
    - (A) if any Loan Funded Shares are transferred or sold, all proceeds of the transfer or sale of those Loan Funded Shares will be paid to the Company and that payment will be treated as full consideration for the repayment of that portion of the Loan to which those Loan Funded Shares relate; and/or
    - (B) if any Loan Funded Shares are Bought-Back in accordance with these Rules, the then Market Value of those Loan Funded Shares that are Bought-Back will be treated as full consideration for the repayment of that portion of the Loan to which those Loan Funded Shares relate.
- (c) Unless the Board determines otherwise prior to the execution of the Loan Agreement and subject to the Board's discretion to permit the Loan to continue for a further specified period, the Loan becomes due and payable on the first to occur of the following:
  - (i) expiration of the Loan Term;
  - (ii) if the Participant is declared by the Board to be a Good Leaver, six months after the Participant ceases employment or office with any Group Company;
  - (iii) if the Participant is declared by the Board to be a Bad Leaver, the date the Participant ceases employment or office with any Group Company;
  - (iv) the date the Participant Loan Funded Shares are surrendered by the Participant or Bought-Back, or where the Participant's Loan Funded Shares are subject to Performance Hurdles and/or Vesting Conditions, the date the Board determines that the applicable Performance Hurdles and/or Vesting Conditions (as the case may be) have not or cannot be satisfied;
  - (v) the date the Board determines that a Change of Control Event will occur, or is likely to occur; or
  - (vi) a date other than above, that the Participant and the Company agree to in writing,

but only in relation to that portion of the Loan which relates to Loan Funded Shares that are to be surrendered and/or Bought-Back (as the case may be) in any of the above circumstances.

## **10.9 Participant rights**

A Participant who holds Loan Funded Shares has the rights set out in clause 16.

## **10.10 Dividends**

Unless otherwise determined by the Board:

- (a) the Company will apply and each Participant irrevocably directs the Company to so apply, on each Dividend Payment Date the After Tax Dividend Amount, and any capital returns, towards repayment of the interest component of the Loan and then towards repayment of any outstanding principal component of the Loan; and
- (b) of the dividends and capital returns remaining after repayment of the interest component and principal component of the Loan under clause 10.11 (if any), the Company will pay those remaining dividends and capital returns to the Participant.

#### **10.11 Application of proceeds of transfer, sale or Buy-Back**

At the sole and absolute discretion of the Board, where Loan Funded Shares are transferred, sold or Bought-Back by the Company in accordance with clauses 10.4, 14 or 15, proceeds of the transfer, sale or Buy-Back of any Loan Funded Shares will be applied in the following order within 90 days of the transfer, sale or Buy-Back (as the case may be):

- (a) in repayment or reduction of the outstanding amount of the Loan; and
- (b) subject to this clause 10.11, by paying the balance (if any) to the Participant, except where the Participant ceases employment with any Group Company and is declared by the Board to be a Bad Leaver.

#### **10.12 Offset of outstanding amount of the Loan**

If on cessation of a Participant's employment or office with any Group Company, the Participant owes any money to the Company under the Plan (being any outstanding amount of the Loan), the Company agrees that it will not offset that money against any payments the Company (or any Group Company) is legally obliged to make to the Participant, to the extent permitted by law.

### **11 GOOD LEAVER**

Subject to the terms of an Invitation Letter, where a Participant becomes a Good Leaver:

- (a) unless the Board in its sole and absolute discretion determines otherwise:
  - (i) any and all vested Options held by the Participant which have not been exercised will continue in force and remain exercisable until the Expiry Date or such lesser period as determined by the Board;
  - (ii) any and all vested Performance Rights held by the Participant which have not been exercised will continue in force and remain exercisable; and
  - (iii) the Participant will be entitled to continue to hold all vested Share Awards and Loan Funded Shares; and
- (b) the Board may determine, in its sole and absolute discretion, the manner in which any unvested Awards held by the Participant will be dealt with, including but not limited to:
  - (i) allowing some or all of those unvested Awards to continue to be held by the Participant, and be subject to existing Performance Hurdles and/or Vesting Conditions;
  - (ii) undertaking a Buy-Back of some or all of the unvested Options, Performance Rights, Share Awards and/or Loan Funded Shares (as the case may be) in accordance with clause 15; and/or
  - (iii) requiring that:
    - (A) any remaining unvested Options and/or Performance Rights (as the case may be) automatically lapse in accordance with clause 8.11; and/or

- (B) any remaining unvested Share Awards and/or Loan Funded Shares (as the case may be) be automatically surrendered by the Participant in accordance with clause 14.

## **12 BAD LEAVER**

Subject to the terms of an Invitation Letter, where a Participant becomes a Bad Leaver, unless the Board in its sole and absolute discretion determines otherwise:

- (a) any and all vested Options held by the Participant which have not been exercised will continue in force and remain exercisable until the Expiry Date;
- (b) any and all vested Performance Rights held by the Participant which have not been exercised will continue in force and remain exercisable;
- (c) the Participant will be entitled to continue to hold all vested Share Awards and Loan Funded Shares;
- (d) all unvested Options and/or Performance Rights held by the Participant will automatically lapse in accordance with clause 8.11; and
- (e) all unvested Share Awards and/or Loan Funded Shares held by the Participant will be automatically surrendered by the Participant in accordance with clause 14.

## **13 FORFEITURE**

### **13.1 Forfeiture Conditions**

- (a) The Board may determine prior to an Invitation if any Forfeiture Conditions apply in respect of Awards.
- (b) If any of the Forfeiture Conditions set out in the Invitation Letter is met, unless otherwise determined by the Board in its sole and absolute discretion:
  - (i) all unvested and vested Options and/or Performance Rights (as the case may be) held by the Participant will automatically lapse in accordance with clause 8.11; and
  - (ii) all unvested and vested Share Awards and/or Loan Funded Shares (as the case may be) held by the Participant will automatically be surrendered by the Participant in accordance with clause 14.

### **13.2 Fraudulent or dishonest actions**

In addition to the Forfeiture Conditions (if any), where, in the reasonable opinion of the Board, a Participant:

- (a) acts fraudulently or dishonestly; or
- (b) wilfully breaches his or her duties to the Group,

then the Board may deem all Awards held by the Participant will be treated in accordance with clause 14.

## **14 SURRENDER OF SHARE AWARDS AND LOAN FUNDED SHARES**

Where Share Awards and/or Loan Funded Shares (as the case may be) are surrendered by a Participant as a result of a Forfeiture Condition being met or otherwise pursuant to the Rules:

- (a) the Participant consents to the Company either (at the Board's election):
  - (i) treating them as forfeited Share Awards and/or Loan Funded Shares in accordance with the forfeiture provisions of the Constitution, and for the avoidance of doubt, any such forfeited Share Awards and Loan Funded Shares may be sold by the Company to a third party; or

- (ii) affecting a Buy-Back of those Share Awards and/or Loan Funded Shares for Nominal Consideration;
- (b) the Company will arrange for the Participant's agent or attorney to sign any documents required to deal with those Share Awards and/or Loan Funded Shares; and
- (c) the Company will not be liable for any damages, compensation or other amounts to the Participant in respect of those Share Awards and/or Loan Funded Shares.

## **15 BUY-BACK**

### **15.1 Buy-Back**

Subject to Applicable Law, the Company may at any time Buy-Back Share Awards, Loan Funded Shares, Options, Performance Rights and/or Plan Shares in accordance with clause 15.2.

### **15.2 Buy-Back procedure**

Unless otherwise stated in these Rules, the Board may cause the Company to Buy-Back Share Awards, Loan Funded Shares, Options, Performance Rights and/or Plan Shares held by a Participant for:

- (a) an amount agreed with the Participant at any time; or
- (b) where there is a formal takeover offer made for at least 50% of the Shares, the Company may Buy-Back Share Awards, Loan Funded Shares and/or Plan Shares (as the case may be) at the price or prices offered by the bidder under the takeover offer and/or as considered appropriate by the Board in its reasonable opinion in light of such an offer.

### **15.3 Buy-Back period**

Any Buy-Back under clause 15.2 may occur in one or more tranches within such time, as determined by the Board in its sole and absolute discretion.

### **15.4 Buy-Back mechanism**

Each Participant will do all acts, matters and things which are necessary or desirable to give effect to any Buy-Back of the Participant's Share Awards, Loan Funded Shares, Options, Performance Rights and/or Plan Shares.

## **16 RIGHTS ATTACHING TO SHARE AWARDS, LOAN FUNDED SHARES AND PLAN SHARES**

### **16.1 Shares to rank equally**

Any Share Awards, Loan Funded Shares and/or Plan Shares allotted, issued or transferred by the Company to a Participant under the Plan will rank equally with all existing Shares on and from the date of allotment, issue or transfer, including in respect of all rights and bonus issues.

### **16.2 Dividends**

A Participant will have a vested and indefeasible entitlement to any dividends declared and distributed by the Company on any Share Awards, Loan Funded Shares and/or Plan Shares which, at the record date for determining entitlement to those dividends, are standing to the account of the Participant.

### **16.3 Dividend reinvestment**

The Participant may participate in any dividend reinvestment plan operated by the Company in respect of Share Awards, Loan Funded Shares (provided the Loan has been fully repaid) and/or Plan Shares held by the Participant and such participation must be in respect of all Share Awards, Loan Funded Shares and/or Plan Shares held by the Participant. Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Share Awards, Loan Funded Shares and/or Plan Shares held by the Participant.

## **16.4 Voting rights**

A Participant may exercise any voting rights attaching to Share Awards, Loan Funded Shares and/or Plan Shares registered in the Participant's name.

## **17 DISPOSAL RESTRICTIONS**

### **17.1 Board determines**

The Board, in its sole and absolute discretion, may determine, prior to an Invitation being made, whether there will be any restrictions on the disposal of, the granting (or purporting to grant) of any Security Interest in or over, or otherwise on dealing with (or purporting to dispose or deal with), Share Awards, Loan Funded Shares and/or Plan Shares held by any Participants.

### **17.2 No transfer**

Subject to clause 17.1, Share Awards, Loan Funded Shares and/or Plan Shares, or any beneficial or legal interest in those shares, may not be transferred, encumbered or otherwise disposed of, or have a Security Interest granted over them, by a Participant unless all restrictions on the transfer, encumbrance or disposal of the Share Awards, Loan Funded Shares and/or Plan Shares have been met, the Board has waived any such restrictions, or prior consent of the Board is obtained which consent may impose such terms and conditions on such transfer, encumbrance or disposal as the Board sees fit.

### **17.3 Board actions**

The Company may do such things and enter into such arrangements with the Company's share registry or otherwise as it considers necessary to enforce the transfer restrictions set out in clause 17.2, including but not limited imposing a holding lock on the Share Awards, Loan Funded Shares and/or Plan Shares or using an employee share trust to hold any such shares during the relevant restriction period. Participants will be bound by any action by the Company under this clause 17.3.

### **17.4 Overriding restrictions on dealing**

Share Awards, Loan Funded Shares and Plan Shares must not be dealt with under this clause 17.4 if to do so would contravene Applicable Laws and Participants must comply with any Share Trading Policy at all times.

### **17.5 Entitlements**

For the avoidance of doubt, the imposition of a restriction on the Share Awards, Loan Funded Shares and/or Plan Shares held by a Participant pursuant to clause 17.1 will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company or Shareholders, and to receive any dividends declared by the Company during the relevant restriction period.

## **18 CHANGE OF CONTROL EVENT**

In the event of a Change of Control Event, and unless the Board determines otherwise in its sole and absolute discretion:

- (a) Awards granted will vest where, in the Board's sole and absolute discretion, the Vesting Conditions and Performance Hurdles applicable to those Awards have been satisfied, but that vesting will occur only on a pro rata basis based on the period with has elapsed from the Grant Date to the date of the Change of Control Event when compared to the relevant overall vesting period and based on actual performance;
- (b) any Options and Performance Rights which the Board determines will not vest under clause 18(a) will automatically lapse in accordance with clause 8.1; and
- (c) any Share Awards and Loan Funded Shares which the Board determines will not vest under clause 18(b) will automatically be surrendered by the Participant in accordance with clause 14.

## **19 ADJUSTMENT FOR CAPITAL RECONSTRUCTIONS**

### **19.1 Reorganisation**

Subject to any Applicable Laws, following any variation to the Issued Capital of the Company arising from:

- (a) a reduction, subdivision or consolidation of the Issued Capital of the Company;
- (b) a reorganisation of the Issued Capital of the Company;
- (c) a distribution of assets in specie;
- (d) the payment of a dividend, otherwise than in the ordinary course, of an amount substantially in excess of the Company's normal distribution policy; or
- (e) any issue of Shares or other equity securities or instruments which convert into Shares by way of capitalisation of profits or reserves,

the number of Awards to which each Participant holds under the Plan, and the Exercise Price of Options (if any) held by each Participant, will be adjusted in accordance with the Listing Rules.

### **19.2 Notification of adjustments**

Upon any adjustment being made pursuant to clause 19.1, the Board will notify each Participant (or his or her legal personal representative where applicable) in writing, informing them of the number of Awards (and issuing new Certificate(s) in those circumstances) and/or Plan Shares held by the relevant Participant.

### **19.3 Limited right to participate in new issues**

Subject to clause 19.1, during the currency of any Options and/or Performance Rights and prior to their vesting, Participants are not entitled to participate in any new issue of Securities of the Company as a result of their holding Options and/or Performance Rights.

### **19.4 Fairness in application**

In the application of this clause 19.4, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company subject to any Applicable Laws including the Listing Rules.

## **20 CONTRAVENTION OF APPLICABLE LAWS**

No act will be done or determination made in accordance with these Rules where to do so would be a breach of any Applicable Laws, and where any such act is done or determination made it will be considered void and to the extent possible be unwound and of no effect in respect of Awards and/or Plan Shares.

## **21 ADMINISTRATION OF THE PLAN**

### **21.1 Plan to be administered in accordance with the Rules**

The Plan will be administered by the Board in accordance with these Rules.

### **21.2 Regulations**

The Board may make such regulations for the operation of the Plan as it considers necessary, provided such regulations are consistent with these Rules.

### **21.3 Delegation**

- (a) The Board may delegate any of its powers or discretions conferred on it by these Rules to a committee of the Board or to any one or more persons selected by it, including but not limited to the company secretary.



- (b) Any delegation will be for such period and upon such terms and conditions as determined by the Board from time to time.

#### **21.4 Decisions final**

Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules will be final, conclusive and binding.

#### **21.5 Attorney and agent**

- (a) Each Participant hereby authorises and appoints the company secretary of the Company holding office at the relevant time (or their delegate) as their agent or attorney with power to do all things necessary in the name of and on behalf of the Participant to give effect to these Rules, including and without limitation, signing Award and/or Plan Share transfers, and signing all documents and doing all acts necessary to effect a Buy-Back or Cancellation, and accounting for the proceeds of the sale of forfeited shares, but expressly excluding the power to exercise Options and/or Performance Rights granted to the Participant under the Plan.
- (b) Each Participant agrees to indemnify and hold harmless any person acting as their agent or attorney in accordance with these Rules in respect of all costs, damages or losses of whatever nature arising from so acting, other than costs, damages or losses arising out of the agent's or the attorney's gross negligence, dishonesty, fraud or wilful breach of their duties.

#### **21.6 Notice**

- (a) Address for service:
  - (i) any notice required to be given to the Participants under the Plan or the terms of the Awards granted will be sent to the address of the Participant as entered in the register unless delivered in person; or
  - (ii) any notice required to be given to the Company under the Plan or the terms of the Awards granted will be sent to the registered office of the Company or such other address as is notified to Participants from time to time.
- (b) Delivery of notices:
  - (i) any notice to be given to Participants may be delivered by hand to the Participant;
  - (ii) any notice to be given to the Company may be delivered by hand or by prepaid post. Notices may also be given to the Company by means of facsimile, email or other mode of electronic delivery to such address as is notified by the Company to the Participant; or
  - (iii) notices delivered to Participants in accordance with the Constitution will be taken to be delivered in accordance with the Constitution. Notices delivered to the Company by pre-paid post will be taken to be delivered if properly addressed and stamped, 48 hours after mailing in Australia and seven days after mailing outside Australia. Notices delivered by facsimile, email or other mode of electronic delivery will be taken to be delivered on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery.

## **22 PLAN AMENDMENT**

### **22.1 Amendment of Plan**

- (a) Subject to clause 22.2, the Listing Rules and the Constitution, the Board may at any time amend these Rules or the terms and conditions upon which Awards have been issued under the Plan.
- (b) No amendment to these Rules or to Awards granted under the Plan may be made if the amendment materially reduces the rights of any Participant in respect of Awards granted to them prior to the date of the amendment, other than:
  - (i) an amendment introduced primarily:
    - (A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;
    - (B) to correct any manifest error or mistake;
    - (C) to allow the implementation of a trust arrangement in relation to the holding of Share Awards, Loan Funded Shares and/or Plan Shares granted under the Plan;
    - (D) for the purpose of complying with the Applicable Laws; and/or
    - (E) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or
  - (ii) an amendment agreed to in writing by the relevant Participant(s).
- (c) Subject to the Listing Rules, the Board may determine that any amendment to these Rules or the terms of Awards granted under the Plan be given retrospective effect.
- (d) Any amendment of these Rules or the terms and conditions upon which Awards are granted under the Plan by the Board will be of immediate effect unless otherwise determined by the Board.
- (e) As soon as reasonably practicable after making any amendment to these Rules or the terms and conditions of Awards granted under the Plan, the Board will give notice of the amendment to any Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

### **22.2 Amendment by addendum**

Subject to any other provision of these Rules, the Board may from time to time amend the terms of this Plan as they will apply to Participants in particular jurisdictions or circumstances by means of an addendum to these Rules.

## **23 TERMINATION OR SUSPENSION**

### **23.1 Termination or suspension**

Subject to clause 23.2, the Board may at any time terminate the Plan or suspend the operation of the Plan for such period or periods as it thinks fit.

### **23.2 Resolution to terminate, suspend, supplement or amend**

In passing a resolution to terminate or suspend the operation of the Plan, the Board must consider and endeavour to ensure that there is fair and equitable treatment of all Participants.

## **24 NO EMPLOYMENT CONTRACT**

Nothing in these Rules or the terms of any Award:

- (a) confers upon an Eligible Employee a right to a grant or offer of a grant of Awards;
- (b) confers on an Eligible Employee or a Participant the right to continue as an employee or officer of a Group Company (as the case may be);
- (c) affects the rights of a Group Company to terminate the employment or office of an Eligible Employee or a Participant (as the case may be);
- (d) affects the rights and obligations of any Eligible Employee or Participant under the terms of their office or employment with any Group Company;
- (e) confers any legal or equitable right on an Eligible Employee or a Participant whatsoever to take action against any Group Company in respect of their office or employment; or
- (f) confers on an Eligible Employee or a Participant any rights to compensation or damages in consequence of the termination of their employment or office by a Group Company for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

## **25 REGULATORY RELIEF**

Notwithstanding any other provisions of the Plan, every covenant or other provisions set out in an exemption or modification granted from time to time by ASIC and/or any other regulatory body (as applicable) in respect of the Plan or which applies to the Plan pursuant to their power to exempt and modify the Corporations Act and/or any other Applicable Laws and required to be included in the Plan in order for that exemption or modification to have full effect, is deemed to be contained in the Plan. To the extent that any covenant or other provision deemed by this clause 25 to be contained in the Plan is inconsistent with any other provision in the Plan, the deemed covenant or other provision will prevail.

## **26 NON-EXCLUSIVITY**

### **26.1 Non-exclusivity**

This Plan will not be deemed to be the exclusive method of providing incentive compensation to Eligible Employees, nor will it preclude any Group Company from authorising or approving other forms of incentive compensation for employees of any Group Company.

### **26.2 Relationship to other equity plans**

Participation in this Plan will not affect or be affected by any participation in any other employee equity plan operated by any Group Company, except as specifically provided in the terms of that other plan.

## **27 MISCELLANEOUS**

### **27.1 Enforcement**

These Rules, any determination of the Board made pursuant to the Rules, and the terms of any Award granted under the Plan, will be deemed to form a contract between the Company and the Participant.

### **27.2 Listing Rules**

While the Company remains admitted to the ASX or any other recognised stock exchange, the provisions of the relevant Listing Rules will apply to the Plan, and to the extent that the Plan and the Listing Rules are inconsistent, the provisions of the relevant Listing Rules will apply.

### **27.3 No fiduciary capacity**

The Board may exercise any power or discretion conferred on it by these Rules in the interest or for the benefit of the Company, and in so doing the Board is not required to act in the interests

of another person or as requested by another person and will not be under any fiduciary obligation to another person.

#### **27.4 Governing law**

This Plan and any Option and/or Performance Right granted under it will be governed by, and must be construed according to, the laws of the State of New South Wales and the Commonwealth of Australia.

# AGM Registration Card

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

Holder Number:

## Vote by Proxy: ACF

Your proxy voting instruction must be received by **2.00pm (AEDT) on Monday, 25 November** 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.

#### VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman 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 Chairman of the Meeting will be appointed as your proxy by default.

#### DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman 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

#### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

You must sign this form as follows in the spaces provided

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

**Joint holding:** Where the holding is in more than one name, all of the 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>.

#### ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

#### POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.



