



Notice of Annual General Meeting

BSA LIMITED

ACN 088 412 748

Date Wednesday 25 November 2020

Time 2.00 pm (AEDT)

Place BSA Limited
Level 7, 3 Thomas Holt Drive
Macquarie Park NSW 2113

NOTICE IS HEREBY GIVEN that the Annual General Meeting (**AGM**) of shareholders of BSA Limited ACN 088 412 748 ('**BSA**' or '**the Company**') will be held at the BSA Limited offices at Level 7, 3 Thomas Holt Drive, Macquarie Park NSW on **Wednesday 25 November 2020 at 2:00pm** (AEDT).

GENERAL BUSINESS

TO RECEIVE AND CONSIDER the Financial Report and reports of the Directors and of the auditor for the financial year ended 30 June 2020.

RESOLUTIONS

1. TO ADOPT THE REMUNERATION REPORT on pages 18-22 of the Annual Report

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

“That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), the Remuneration Report for the period ended 30 June 2020 be adopted.”

[see the accompanying Explanatory Statement]

Note: the vote on this resolution is advisory only and does not bind the Directors of BSA.

2. TO ELECT DIRECTOR – NICHOLAS YATES

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

“That Nicholas Yates, a Director appointed during the year in accordance with Clause 64(2) of the Company’s Constitution, being eligible, is elected as a Director of the Company.”

[see the accompanying Explanatory Statement]

3. TO REFRESH THE FEE SACRIFICE EQUITY PLAN FOR NON-EXECUTIVE DIRECTORS

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

“That pursuant to ASX Listing Rule 7.2 exception 13(b) and for all purposes, the Board is authorised to continue to implement a fee sacrifice equity plan for Non-Executive Directors on the terms set out in the Explanatory Statement accompanying this Notice of Meeting”

[see the accompanying Explanatory Statement]

4. TO APPROVE THE ISSUE OF SECURITIES UNDER THE FEE SACRIFICE EQUITY PLAN FOR NON-EXECUTIVE DIRECTORS TO INDIVIDUAL DIRECTORS

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

4a. “That, subject to the due process of Resolution 3 and for the purposes of ASX Listing Rule 10.14, and for all other purposes, Shareholders authorise and approve the issue of Securities under the Fee Sacrifice Equity Plan by the Company to Michael Givoni or his nominee on the terms and conditions set out in the Explanatory Statement.”

4b. “That, subject to the due process of Resolution 3 and for the purposes of ASX Listing Rule 10.14, and for all other purposes, Shareholders authorise and approve the issue of Securities under the Fee Sacrifice Equity Plan by the Company to Nicholas Yates or his nominee on the terms and conditions set out in the Explanatory Statement.”

[see the accompanying Explanatory Statement]

5. TO APPROVE THE ISSUE OF PERFORMANCE RIGHTS TO TIMOTHY HARRIS

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue to Timothy Harris of 255,658 Rights under the Company’s Employee Performance Rights Plan, be approved.”

[see the accompanying Explanatory Statement]

VOTING EXCLUSIONS

Resolution 1

In accordance with section 250R(4) of the Corporations Act, the Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- a member of KMP, details of whose remuneration are included in the Remuneration Report, regardless of the capacity in which the vote is cast; and
- as a proxy by a member of KMP at the date of the meeting and any of their closely related parties.

However, the Company need not disregard a vote cast in respect of Resolution 1 if:

- 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
- by the person chairing the meeting pursuant to an express authorisation to exercise the proxy as the chairman decides.

Resolution 3

The Company will disregard any votes cast by or on behalf of

- each Non-Executive Director, namely Messrs Givoni, Teisseire, Lowe, Yates, Prescott and Halios-Lewis; or
- an associate of each Non-Executive Director.

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

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

Resolutions 4a – 4b

In relation to each of the Resolutions 4a – 4b, the Company will disregard any votes cast by or on behalf of

In relation to Resolution 4a:

- Mr Michael Givoni; or
an associate of Mr Michael Givoni.

In relation to Resolution 4b:

- Mr Nicholas Yates; or
an associate of Mr Nicholas Yates.

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

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

Resolution 5

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast by or on behalf of

- Mr Timothy Harris; or
an associate of Mr Harris.

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

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

The chairman of the meeting intends to vote all available proxies in favour of all resolutions.

IMPORTANT INFORMATION

To assist you in deciding how to vote on the above resolutions, further details, as background information to the resolutions, are set out in the Explanatory Statement accompanying and forming part of this Notice of Meeting.

Voting Entitlement

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the shareholders eligible to attend and vote at the Annual General Meeting are those persons registered as shareholders at 7:00pm (AEDT) on Monday 23 November 2020. Only those persons will be entitled to attend and vote in respect of that share at the Annual General Meeting.

Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to vote at the meeting.

Proxy Instructions

- A member entitled to attend and vote at the Annual General Meeting has a right to appoint a proxy;
- The proxy need not be a member of the Company;
- A member who is entitled to cast two or more votes may appoint up to two proxies and, in the case of such an appointment, may specify the proportion or number of votes each proxy is appointed to exercise;
- If the Proxy Form is signed by a person who is not the registered holder of shares in the Company (i.e. under power of attorney or other authorisation), then the relevant authority (or a certified copy of such authority) must either have been exhibited previously to the Company or be enclosed with the Proxy Form.
- **Shareholders are encouraged to lodge their proxy online.** For this purpose, specific instructions have been sent to each shareholder to enable them to do so;
- Should a proxy not be able to be lodged online, shareholders may apply to Computershare Investor Services Pty Ltd using one of the following methods to enable a paper-based proxy to be completed and lodged.

In order to record a valid vote, members will need to take the following steps:

- **Cast your vote online** by visiting www.investorvote.com.au and following the instructions and information provided on the personalised Notice and Access advice which has been sent to each shareholder; or
- **Custodian voting** - For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions; or
- **By Mail:**
Complete and lodge the Proxy Form with the Company at the address or facsimile number specified below, along with any power of attorney or notarially certified copy of a power of attorney (if the proxy form is signed pursuant to a power of attorney), by no later than 48 hours before the Annual General Meeting (i.e. by no later than 2.00 pm (AEDT), Monday 23 November 2020) to:

BSA Limited
C/- Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

- **Alternatively you can fax** your form to
(Within Australia) 1800 783 447
(Outside Australia) +61 3 9473 2555
- **For all enquiries call:**
(Within Australia) 1300 850 505
(Outside Australia) +61 3 9415 4000
- If a member appoints two proxies and the appointment does not specify the proportion or number of the member's votes which each proxy may exercise, each proxy may exercise half of the votes; and
- A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Company's constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on a resolution, the proxy may vote on that resolution only in accordance with that direction. If a proxy is not directed how to vote on a resolution, the proxy may vote as he or she thinks fit.

Undirected proxies

If a member appoints the Chairman of the meeting as the member's proxy and does not specify how the Chairman is to vote on a resolution, except as expressly stated, the Chairman advises that he intends to vote each such proxy as proxy for that member, in favour of the resolution on a poll. Therefore, the Company recommends that shareholders who submit proxies should consider giving 'how to vote' directions to their proxy holder (including the Chairman) on each resolution.

If you wish to appoint the Chairman as your proxy holder but you do not want to put him in the position to cast your votes in favour of the Remuneration Report, you should complete the appropriate box on the proxy form, directing him to vote against or abstain from voting on this resolution.

Questions from Shareholders

Shareholders are also encouraged to ask questions before the meeting by sending an email with your questions by no later than Wednesday 19 November 2020 to corporate@bsa.com.au

or

In person or by mail: Registered Office – Level 7, 3 Thomas Holt Drive, Macquarie Park NSW 2113

By Facsimile: +61 2 9763 6201

These questions will be addressed during the meeting by either the auditor, for those relevant questions, or directors, as appropriate.

Definitions

Words that are defined in the Glossary have the same meaning when used in this Notice of Meeting unless the context requires, or the definitions in the Glossary provide, otherwise.

Electronic Annual Report

In accordance with Australian corporations' legislation, and in the interests of maximum efficiency and the lowest possible cost to shareholders, the Company is providing printed copies of its 2020 Annual Report only to those shareholders who have specifically made this request. For all other shareholders, an electronic copy of the Company's 2020 Annual Report, together with the Company's ASX announcement and investor pack relevant to the financial performance of the Company for the year ended 30 June 2020 is available on the Company's website www.bsa.com.au.

By Order of the Board

Graham Seppelt
Company Secretary

Dated: 16 October 2020
Sydney, New South Wales

EXPLANATORY STATEMENT

Financial Statements and Reports

The Corporations Act 2001 (Cth) requires the Annual Report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and the Auditor's Report in respect of the financial year of BSA ended 30 June 2020 to be laid before the 2020 AGM. There is no requirement for a formal resolution on this item. However, attending shareholders will be given an opportunity at the meeting to ask questions and make comments on these reports and on the business, operations and management of BSA. Shareholders who have submitted questions in writing will have those questions answered during the meeting.

1. Resolution 1. – Adoption of Remuneration Report

The Directors' Report for the year ended 30 June 2020 contains a Remuneration Report (pages 18 to 22) which sets out the policies of the Company for, and applicable to the remuneration of its officers and senior employees, and details the remuneration paid to its officers and senior employees in the financial year ended 30 June 2020.

While the Corporations Act 2001 (Cth) (section 250R(2)) requires a listed company to put a resolution to its members at its AGM that its Remuneration Report be adopted, the Corporations Act 2001 (Cth) expressly provides that the vote on any such resolution is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast on the resolution at the 2020 AGM are against adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the 2020 AGM, the Company's Remuneration Report for the financial year ending 30 June 2021 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if subsequently, at the Company's 2021 AGM, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for the relevant financial year are against its adoption, the Company will be required to put to shareholders a resolution proposing that a General Meeting (Spill Meeting) be called to consider the election of Directors of the Company (Spill Resolution). The **Spill Meeting** must be held within 90 days of the date of the 2021 AGM. For any **Spill Resolution** to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any

Managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

The Remuneration Report forms part of the Directors' Report for the year ended 30 June 2020 and is made in accordance with a unanimous resolution of the Directors.

While noting that each Director has a personal interest in their remuneration, as described in the Remuneration Report, the Board unanimously recommends that the shareholders vote in favour of adopting the Remuneration Report.

Resolution 1 is put to the shareholders at the AGM in fulfilment of the obligations of the Company under section 250R(2) of the Corporations Act 2001 (Cth). Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. Shareholders who have submitted questions in writing will have those questions answered during the meeting.

Please read the information under the heading 'Undirected Proxies' which (among other things) deals with the Chairman's voting of proxies on the resolution to adopt the Remuneration Report.

2. Resolution 2 – Election of Director Mr Nicholas Yates

Under Clause 64(1) of the Company's Constitution, the Directors have power at any time, and from time to time, to appoint any other person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director appointed under this clause must retire from office, and will be eligible for election, at the next AGM following their appointment.

On 9 March 2020, Nicholas Yates retired as Managing Director and CEO of the Company and was subsequently elected as a Non-Executive Director by the Board. Mr Yates is not considered to be independent under the ASX Corporate Governance Principle and Recommendations, as per Guideline 2.3. because he has been an executive of the Company during the previous three years. Nicholas Yates seeks election as a director of the Company. The remaining Directors, (other than Nicholas Yates who abstains) recommend to shareholders that Mr Yates be elected as Director.

The Chairman intends to vote undirected proxies in favour of this Resolution 2.

Nicholas Yates' details are set out in the Directors' Report in the 2020 Annual Report.

3. Resolution 3 – To Refresh The Fee Sacrifice Equity Plan For Non-Executive Directors

On 28 November 2017, shareholders approved the implementation of an equity-based Plan (Plan) for Non-Executive Directors (NEDs) to acquire shares in the Company by electing to salary sacrifice a proportion of annual fees, on a voluntary basis. The Plan has been in effect for three years and the Board wishes to extend the application of the Plan for a further period by refreshing the Plan, the Rules of which have not been amended. The rules for this Plan that will govern the operation and administration of the Plan (Rules) are summarised as follows:

- 1. Purpose:** The objective of this Plan is to facilitate the acquisition of shares in the Company by NEDs serving on the Board in a manner that will align their interests with shareholders and does not create any financial or governance concerns for stakeholders. The Board considers it good governance that NEDs should not participate in the same equity incentive schemes as Company executives,

and has therefore proposed a separate Plan. Further, the Board considers this Plan will overcome the challenges faced by NEDs in acquiring equity on-market due to the insider trading restrictions or because they are reluctant to send signals to the market in relation to the timing of on-market acquisitions.

- 2. Administration:** The Plan will be administered by the Board, (or the Board may appoint another party to administer the Plan on its behalf) and the Board is authorised to establish such guidelines for the administration of the Plan as it deems appropriate in its sole discretion, with the Board's decisions being final and binding on all participants.
- 3. Eligibility:** All individuals holding NED roles in the Company or a subsidiary of the Company are eligible to become participants.
- 4. Invitations:** the Plan will operate through a series of annual invitations which the Board will determine in its absolute discretion to whom the invitations will be issued and the number of deferred rights that a NED may apply for. The Plan involves a financial instrument called a deferred share right which entitles the holder, when validly exercised, to a Company Share or a Restricted Share (a Share that is subject to disposal restrictions).

Each year, the Company intends to invite each NED to voluntarily elect to apply for Rights under the Plan, to be funded by salary sacrificing a proportion of annual Board fees. While the Company intends to issue invitations annually, the Board will determine at its sole discretion each year whether to issue an invitation.

Invitations will include such terms as the Board deems appropriate including the date of the invitation, the number of deferred rights that a participant is eligible to apply for, that the price of a deferred right shall be nil (ignoring the amount of the fee sacrifice), that the exercise price shall be nil, the period during which disposal restrictions will apply, and such other terms and conditions as the board determines.

- 5. Applications:** Applications must be in writing and can only be made in relation to the Rights outlined in an Invitation.
- 6. Granting of Deferred Rights:** The rights to be issued to a NED, based on the amount of Board fees to be sacrificed on a pre-tax basis, will be in the form of deferred share rights (which are fully vested immediately on the date of grant), which the Board will use reasonable endeavours to issue within 30 days of the last date on which a valid Application may be made but in any case, no later than three years [LR 10.15.7 – 3 year limit] after this meeting. Participants will be advised in writing when Rights have been granted via a Notice of Grant that will confirm any disposal restrictions (see (12) below). Details of any securities issued under the Plan will be published in each annual report of the entity relating to the period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14. Any additional persons who become entitled to participate under the Plan after the Resolution is approved and who are not named in the Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.

For the purposes of calculating the number of Rights to be granted for the amount of fees to be sacrificed, the share price is calculated as the 10 trading day VWAP of Company Shares following the most recent full or half year results to the market prior to the date of an Invitation.

7. **Participants:** NEDs who have been granted deferred share rights will be referred to as Participants in the Plan. They will remain participants until all disposal restrictions applying to any rights granted or shares acquired by exercising rights have ceased to apply. The receipt of an Invitation(s) under the Plan does not guarantee or confer any entitlement to receive any other Invitation under the Plan.
8. **Rights may not be disposed of or transferred or encumbered:** Rights may not be disposed of or transferred or encumbered and lapse immediately on purported disposal, transfer, or dealing unless the transfer is effected by operation of law on death or legal incapacity to the Participant's legal personal representative.
9. **Vesting of Rights:** Deferred Rights granted under these Rules will be fully vested on the date of grant (being the date notified in a Notice of Grant)
10. **When Rights may be exercised:** Unvested rights may not be exercised. Vested rights will be exercised as specified in Rule 11.
11. **Exercise of Rights:** Deferred Rights will be automatically exercised 90 days after grant but may not be exercised earlier. On exercise of a Right, the Board in its discretion will either: a) issue Shares to Participants or b) arrange for Shares to be acquired for the benefit of Participants by the trustee of the BSA Employee Share Trust. The Company will contribute such funds as needed to acquire Shares either on-market or a subscription to a new issue as directed by the Board. The Shares that result from the exercise of Deferred rights are Restricted Shares.
12. **Disposal Restrictions attached to Shares:** All Shares acquired by Participants are subject to disposal restrictions that prevent disposal until the earlier of 15 years from the date of grant of Rights and cessation of being a NED on the Board of BSA or a subsidiary of the Company (which will be Specified Disposal Restrictions). During the period the Special Disposal Restrictions apply, the Restricted Shares may not be sold or otherwise disposed of. The Company may impose a CHES holding lock on Restricted Shares to ensure the participant does not sell them earlier than permitted under the Rules. The Company will advise each participant when it considers the specified disposal restrictions cease to apply.
13. **No Hedging:** Participants must not enter an arrangement with anyone if it would have the effect of limiting their exposure to risk in relation to Deferred Rights or Restricted Shares
14. **Bonus Issues, Rights Issues and Capital Reorganisation:** Participants will be treated in a manner that does not advantage or disadvantage them compared with other shareholders in the event of bonus issues, rights issues and capital reorganisation.
15. **Cessation of office of NED:** If a participant ceases to be a NED of the Company or a subsidiary of the Company any unexercised Restricted rights will be exercised automatically the day following cessation, and any Restricted Shares held by a Participant that are subject to Specified Disposal Restrictions will cease to be subject to such restrictions on the day of cessation unless otherwise determined by the Board and notified to the Participant in the Invitation.
16. **Change of Control including Takeover:** in the event of a change of control as defined in Section 50AA of the Corporations Act, including a takeover of the Company, any unexercised rights held by or on behalf of a Participant will be exercised automatically when the Board determines such an event is likely to occur, and any Restricted shares subject to Specified Share Restrictions will cease to be subject to such restrictions on the day that such an event is announced to the market.
17. **Fraud, Gross Misconduct Etc.:** In the event the board forms the opinion that a Participant has committed an act of fraud, defalcation or gross misconduct in relation to the Company, all unexercised Deferred Rights shall be forfeited.
18. **Employee Share Scheme taxing provisions to apply:** Sub-division 83C-A of the Income Tax Assessment Act 1997 applies to all Deferred Rights and Restricted Shares under this Plan.
19. **Board determinations and amendments to the Plan:** The Board may at any time by written instrument or by resolution amend all or any of the provisions of the Rules, however no amendment may reduce a participant's existing rights in respect of any invitation that had commenced prior to the date of the amendment other than:
 - with the participant's consent;
 - for the purpose of complying with law, or regulation, or Listing Rules;
 - to correct a manifest error or mistake; or
 - to address possible adverse tax consequences for the Company or participants generally.
20. **Not exclusive method of remuneration:** This Plan is not the exclusive method or providing remuneration to NEDs and does not preclude it from authorising or approving other forms of remuneration.
21. **No right to retain Office:** Nothing in this Plan or in any Invitation issued in relation to this Plan confers any right to any Participant to continue to hold office as a NED of the Company or affect any rights the Company may have to remove the Participant from that office.
22. **Relationship to other Plans:** participation in this Plan does not affect participation in any other plan of the Company, unless otherwise determined by the Board.
23. **Governing Law:** the Rules are governed by the laws of NSW.

The Plan will be an 'employee incentive scheme' for the purposes of the ASX Listing Rules.

Corporations Act Requirements

The Directors have considered the application of Chapter 2E of the Corporations Act to the grant of Share Rights to the Non-Executive Directors. As the Non-Executive Directors may elect to forego a percentage of the cash payment of fees and those fees are within the shareholder approved aggregate pool of directors' fees, it has been determined that the financial benefit given by offering NEDs the opportunity to salary sacrifice to acquire these Share Rights, at no greater cost to the Company, constitutes reasonable remuneration to the NEDs given:

- the circumstances of the Company, and
- the Non-Executive Directors' roles and responsibilities at the Company.

Given the above, the Company will rely on the exception contained in section 211(1) of the Corporations Act and is not seeking Shareholder approval pursuant to section 208 of the Corporations Act in addition to the approval being sought under the ASX Listing Rules.

ASX Listing Rule Requirements

Approval is being sought for the Plan pursuant to ASX Listing Rule 7.2 exception 13 (b). Listing Rule 7.1 states that without the approval of shareholders of ordinary securities an entity must not issue or agree to issue more than 15% of the entities share capital as calculated using a defined formula. However, Listing Rule 7.2 Exception 13 (b) allows that an issue under an employee incentive scheme is not included in the calculation under Listing Rule 7.1 if holders of ordinary securities have approved the issue of securities under the scheme as an exception to this Rule.

Since shareholders approved the implementation of the Plan on 28 November 2017, 820,428 restricted shares have been issued to participants in the Plan and which represent 0.19% of the issued capital of 433,016,429 ordinary shares.

Currently, the annual fee structure for non-executive directors is:

Chairman - \$170,829

Non-Executive Directors - \$91,560

Whilst it is not possible to ascertain the total number of shares that will be exercised under the Plan, if all participating NED's sacrificed 100% of their fees for restricted shares, this would involve the issue of up to 870,000 shares per year (0.2% of current issued capital).

Details of any securities issued under the Plan will be published in the annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14. Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

Recommendation

The Directors (with Mr Givoni, Mr Teisseire, Mr Yates, Mr Prescott and Mr Halios-Lewis abstaining) recommend that Shareholders vote in favour of Resolution 3.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

4. Resolution 4a – 4b. – To approve the issue of securities under the Fee Sacrifice Equity Plan for Non-Executive Directors to eligible Non-Executive Directors

The approval of Resolutions 4a – 4b to permit the issue of deferred rights to individual NEDs is subject to the approval by shareholders of Resolution 3 at this meeting. The current NEDs who are eligible to participate in the Plan are Non-Executive Directors: Mr Givoni, and Mr Yates. The Plan operates through a series of annual invitations which the Board will determine in its absolute discretion to whom the invitations will be issued and the number of deferred rights that a NED may apply for up to the maximum approved annual fee for each non-executive director. Each NED will be invited to voluntarily elect to apply for Rights under the Plan by salary sacrificing a proportion of annual Board fees,

Currently, the annual fee structure for non-executive directors is: Chairman - \$170,829
Non-Executive Directors - \$91,560

It is not possible to determine the actual number of deferred rights that will be applied for as each non-executive director will voluntarily apply for a proportion of his individual annual director's fee. However, the Company intends to use the following formula for calculating the number of Shares to be issued under the Plan:

A/B

Where:

A is the amount of remuneration that a NED wishes to sacrifice for a given financial year.

B is:

- (a) if the shares are purchased on ASX, the average price paid for the Shares on ASX under the Plan (inclusive of costs associated with their acquisition); or
- (b) if the shares are issued by the Company, the 10 day volume weighted average price for sale of the Company's shares on ASX of Company Shares following the most recent full or half year results to the market prior to the date of an Invitation.

In order for a Non-Executive Director to acquire Deferred Rights (and hence Restricted Shares), the Company must obtain Shareholder approval pursuant to ASX Listing Rule 10.14.

The only restricted securities that have been issued to current directors under the Plan are 665,428 restricted shares to Mr Givoni at an average price of \$0.32 per share.

ASX Listing Rule Disclosure Requirements

The following information is provided in relation to Resolutions 4a – 4b for the purposes of ASX Listing Rule 10.15:

- (a) Any person who is a NED currently or in the future is entitled to participate in the Plan on a voluntary basis.
- (b) If approved, the maximum number of Deferred Rights (and hence Restricted Shares) that may be issued under this Resolution will not exceed the value of annual fees payable to each of the Chairman and the NEDs as set out below:
Chairman: \$170,829 (Mr Givoni).
Non-Executive Directors: \$91,560 (Mr Yates).

One (1) Restricted Share will be issued, allocated or transferred to the Non Executive Directors on exercise of a vested Deferred Right.

- (c) No consideration is payable for the grant of Deferred Rights under the Plan, or on exercise of the Deferred Rights under the Plan as participation in the Plan to acquire Deferred Rights requires a NED to salary sacrifice a percentage of existing remuneration to which the NED is otherwise entitled.
- (d) To date 820,428 Deferred Rights have previously been issued on the terms set out in the Explanatory Statement.
- (e) Details of any securities issued under the Plan will be published in each annual report of the entity relating to the period in which securities have been issued, and that approval for the issue of securities was obtained under Listing Rule 10.14.

- (f) The Board will use reasonable endeavours to issue within 30 days of the last date on which a valid Application may be made but in any case, no later than three years after this meeting.
- (g) As at the date of this Notice of Meeting, no other persons referred to in ASX Listing Rule 10.14, apart from the NEDs, will be entitled to elect to participate in the Plan to acquire Deferred Rights on the terms set out in the Explanatory Statement (and NEDs who will become entitled to participate will not do so until after any Shareholder approval required under ASX Listing Rule 10.14 (or otherwise under chapter 10 of the ASX Listing Rules) is obtained). The current NEDs to whom this Plan would apply are Messrs Michael Givoni and Nicholas Yates and any other NED appointed from time to time. Both of these persons are directors of the Company and fall under the definition of Listing Rule 14.1.
- (h) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Deferred Rights under the Plan and who are not named in this notice of meeting will not participate until approval is obtained under that rule.
- (i) The voting exclusion statement in relation to Resolution 4a – 4b accompanies Resolutions 4a – 4b in the Notice of Meeting.
- (j) No loans have or will be made by the Company in connection with the grant of Deferred Rights to any NED.
- (k) The Company intends to invite each NED to participate in the Plan and to nominate the number of Deferred Rights they are prepared to acquire, however participation is at the election of each NED. As such, the maximum number of shares to be issued under the Plan cannot be ascertained in advance. However, the Company intends to include the following formula for calculating the number of Shares to be issued under the Plan:

A/B

Where:

- A is the amount of remuneration that an NED wishes to sacrifice for a given financial year.
- B is:
- (a) if the shares are purchased on ASX, the average price paid for the Shares on ASX under the Plan (inclusive of costs associated with their acquisition); or
- (b) if the shares are issued by the Company, the 10 day volume weighted average price for sale of the Company's shares on ASX of Company Shares following the most recent full or half year results to the market prior to the date of an Invitation.

Subject to the passage of Resolutions 4a – 4b, any Deferred Rights granted on the terms set out in the Explanatory Statement (or Restricted Shares issued on the vesting and exercise of such Deferred Rights) will not count towards calculating the Company's 15% capacity to issue shares under ASX Listing Rule 7.1

Recommendation

The Directors (with Mr Givoni and Mr Yates abstaining) recommend that Shareholders vote in favour of Resolutions 4a – 4b.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 4a – 4b.

5. Resolution 5. – Approve the Issue of Performance Rights to Timothy Harris

In September 2020, the Remuneration Committee met to consider the remuneration of the Company's Managing Director and Chief Executive Officer, Mr Timothy Harris. It was noted that Timothy Harris had met the performance hurdles required of him for the year ended 30 June 2020 and so would be eligible for inclusion in the review of executive bonuses for that year. On the basis of that performance, directors agreed that Timothy Harris be awarded a once off bonus comprising:

- Cash \$68,772; and
- Performance Rights; Equivalent to a value of \$68,772 using an issue price of \$0.269 per share, but subject to vesting of 24 months from 1 July 2020, and subject to receiving any required shareholder approvals or regulatory consent. The quantum of Rights to be issued to Timothy Harris has been assessed by the Board in accordance with its discretion as 255,658 Rights.

The Rights are proposed to be issued under the BSA Employee Performance Rights Plan by 31 December 2020 and in any event within 12 months of this meeting. The Rights will vest on 30 June 2022 provided that Timothy Harris remains an employee of the Company. Mr Harris may then exercise the Rights, which will entitle him to receive one Share per Right exercised.

Shareholder approval is sought for the grant of 255,658 Rights to Timothy Harris.

Shareholder approval is required under ASX Listing Rule 10.14 because Mr Harris is a Director of the Company. Mr Harris is the only Director who is entitled to participate in the Plan. Participation in the Plan is limited to employees of the Company. The total fixed remuneration package of Mr Harris is \$700,000. Prior to his appointment as a director, Mr Harris had been awarded 671,056 Rights under the Plan.

If Shareholder approval of the grant of 255,658 Rights to Timothy Harris is obtained under ASX Listing Rule 10.14, shareholder approval is not required under ASX Listing Rule 7.1.

There is no consideration payable by Mr Harris on issue of the Rights, or on exercise of those Rights. The Company will bear all costs associated therewith.

Details of any securities issued under the scheme will be published in the annual report of the entity relating to the period in which they were issued, along with a statement that approval for the issue was obtained under listing rule 10.14.

Any additional persons covered by listing rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

These are the first Rights to be issued to a director or their associates since the shareholder approval of the grant of 689,666 Rights to Nicholas Yates for nil consideration at the Annual General Meeting held on 28 November 2019. Mr Yates' has exercised all of his 1,259,524 vested Rights since that date.

Other features of the Rights, which are consistent with the Plan Rules, include:

- (i) the Rights will not be listed on the ASX and will be issued for no consideration;
- (ii) any Shares allocated on exercise of the Rights will rank equally in all respects with the Company's other Shares on issue, and
- (iii) the Company will apply to the ASX for official quotation of any Shares which are issued on exercise of the Rights.

There is no loan in relation to the acquisition of the securities under the Rights Plan.

The Directors (other than Timothy Harris) recommend that the Shareholders vote in favour of Resolution 5. Timothy Harris does not wish to make a recommendation, owing to his interest in the resolution.

The Chairman intends to vote undirected proxies in favour of this Resolution 5.

4. GLOSSARY

ASX means ASX Limited ACN 008 624 691.

Board means the Board of Directors of the Company from time to time.

Business Day has the same meaning as in the ASX Listing Rules.

Closely Related Party means a closely related party of KMP of the Company.

Company means BSA Limited ABN 50 088 412 748.

Director means a Director of the Company.

Explanatory Statement means this document which accompanies the Notice of Meeting.

KMP means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly. Members of key management personnel include its directors (both executive and non-executive) and certain senior executives.

Resolution means each Resolution set out in the Notice of Meeting.

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

Shareholder means a holder of Shares in the Company.

BSA Limited - Corporate

Registered Office (Sydney)
Level 7, 3 Thomas Holt Drive
Macquarie Park NSW 2113

P +61 2 8748 2400
F +61 2 8748 2577
E corporate@bsa.com.au
W www.bsa.com.au

Share Registry

Computershare Investor Services
GPO Box 2975
Melbourne VIC 3001 Australia

P 1300 85 05 05
P +61 3 9415 4000
F +61 3 9473 2500

Auditor

Deloitte Touche Tohmatsu
225 George Street
Sydney NSW 2000

Banker

Commonwealth Bank of Australia
201 Sussex Street
Sydney NSW 2000

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