



1414 DEGREES LIMITED

NOTICE OF 2020 ANNUAL GENERAL MEETING

ACN 138 803 620

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting (**AGM** or **Meeting**) of Shareholders of 1414 Degrees Limited will be held as a **virtual meeting** on **Monday 30 November 2020** commencing at **10.00 am** (Adelaide time).

Shareholders are encouraged to participate in the Meeting online via the links to be provided, where you will be able to watch the Meeting online, cast an online vote during the Meeting and ask questions online.

The Explanatory Memorandum and the Proxy Form form part of this notice.

Ordinary Business

Financial Report

To receive and consider the Company's Financial Statements, Directors' Report and Independent Audit Report for the year ended 30 June 2020.

The 2020 Annual Report is available to view online at the Company's website <http://www.1414degrees.com.au>, and has been despatched to those Shareholders who have elected to receive a hard copy of the report.

Resolution 1 — Adoption of the Remuneration Report for the year ended 30 June 2020

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

That, for the purpose of section 250R(2) of the Corporations Act 2001 (Cth), the Company adopt the Remuneration Report for the period ended 30 June 2020 as set out in the Directors' Report in the 2020 Annual Report.

Notes:

- In accordance with section 250R of the *Corporations Act 2001* (Cth) (**Corporations Act**) the vote on Resolution 1 will be advisory only and will not bind the Directors or the Company.
- A voting exclusion statement applies to Resolution 1 (see Explanatory Memorandum for details).

Resolution 2 – Election of Mr Richard Willson as a Director

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

That Mr Richard Willson, having been appointed a Director of the Company by the Directors on 2 July 2020, and who will retire at the close of the Meeting in accordance with clause 3.3 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for election, be elected as a Director of the Company.

Resolution 3 – Re-election of Mr Dana Larson as a Director

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

That Mr Dana Larson, being a Director who is retiring in accordance with clause 3.6 of the Company's Constitution, and being eligible, offers himself for re-election, be re-elected as a Director of the Company.

Resolution 4 – Approval to issue securities under the Company's Performance Rights Plan

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

That, for the purposes of ASX Listing Rule 7.2, Exception 13, and for all other purposes, the issue of securities under the Company's Performance Rights Plan on the terms and conditions outlined in the Explanatory Memorandum be approved.

Note: A voting exclusion statement applies to Resolution 4 (see Explanatory Memorandum for details).

Resolution 5 – Grant of Performance Rights to Dr Kevin Moriarty

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

That for the purposes of ASX Listing Rule 10.14 and for all other purposes, the grant by the Company to Dr Kevin Moriarty of Performance Rights as outlined in the Explanatory Memorandum (and the issue of Shares upon the vesting of those Performance Rights) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Memorandum be approved.

Note: A voting exclusion statement applies to Resolution 5 (see Explanatory Memorandum for details).

Resolution 6 – Grant of Performance Rights to Mr Richard Willson

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

That for the purposes of ASX Listing Rule 10.14 and for all other purposes, the grant by the Company to Mr Richard Willson of Performance Rights as outlined in the Explanatory Memorandum (and the issue of Shares upon the vesting of those Performance Rights) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Memorandum be approved.

Note: A voting exclusion statement applies to Resolution 6 (see Explanatory Memorandum for details).

Resolution 7 – Grant of Performance Rights to Mr Dana Larson

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

That for the purposes of ASX Listing Rule 10.14 and for all other purposes, the grant by the Company to Mr Dana Larson of Performance Rights as outlined in the Explanatory Memorandum (and the issue of Shares upon the vesting of those Performance Rights) under the Company's Performance Rights Plan and on the terms and conditions set out in the Explanatory Memorandum be approved.

Note: A voting exclusion statement applies to Resolution 7 (see Explanatory Memorandum for details).

Resolution 8 – Approval of Additional 10% Placement Capacity

To consider, and if thought fit, pass the following resolution as a SPECIAL resolution:

That for the purposes of ASX Listing Rule 7.1A and for all other purposes, the issue of equity securities totalling up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum be approved.

Note: A voting exclusion statement applies to Resolution 8 (see Explanatory Memorandum for details).

By Order of the Board



Richard Willson
Company Secretary
Dated this 29th Day of October 2020

Important Information

Voting Entitlements

The Company has determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that, for the purposes of ascertaining entitlements to participate in and vote at the Annual General Meeting, all shares in the Company will be taken to be held by those persons who held them as registered holders at 6:30pm (Adelaide time) on Saturday, 28 November 2020 (**Entitlement Time**).

This means that if you are not the registered holder of a share in the Company at the Entitlement Time, you will not be entitled to participate in or vote at the Meeting.

Resolutions by Poll

As Shareholders are asked to participate virtually in the Meeting, each resolution considered at the Meeting will be conducted by a poll. The Board considers voting by poll to be in the interests of the Shareholders as a whole and is a way to ensure the views of as many Shareholders as possible are represented at the Meeting.

Participating in the Virtual Meeting

The Meeting will be accessible to all Shareholders via 'Zoom', which will allow Shareholders to listen to and observe the Meeting and ask questions in relation to the business of the Meeting. If you wish to virtually attend the Meeting via 'Zoom' please pre-register in advance of the Meeting by contacting the Company at rwillson@1414degrees.com.au at least two business days before the meeting.

How to Vote

No voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company has determined not to allow Shareholders to physically attend and vote at the Meeting. Please refer to the information below on how Shareholders can vote in advance of or during the Meeting

Voting in advance

Shareholders can vote in advance of the Meeting by completing and lodging a valid proxy form (see further below for information on completing and returning proxy forms).

Voting virtually during the Meeting

Shareholders who wish to vote virtually on the day of the meeting will need to visit www.web.lumiagm.com on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox) and enter the unique Meeting ID 356-689-542.

Online voting registration will commence 30 minutes prior to the start of the Meeting. For full details on how to log on and vote online, please refer to the user guide which can be accessed at www.computershare.com.au/onlinevotingguide.

Proxies

A Shareholder entitled to participate in and vote at the meeting has the right to appoint a proxy, who need not be a Shareholder of the Company. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes.

Subject to any specific proxy provisions set out in a voting exclusion statement for a resolution (as to which, see the Explanatory Memorandum below):

- if a Shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines, and
- if a Shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on a resolution, the Chairman will vote in accordance with his voting intention as stated in this Notice of Meeting.

In order to be valid, the Proxy form must be received by the Company at the address or facsimile number specified below, along with any power of attorney or 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 Meeting (i.e., by no later than 10.00am (Adelaide time) on Saturday, 28 November 2020.

By mail: 1414 Degrees Limited
c/- Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001

Online: at www.investorvote.com.au.
To use this facility, you will need your holder number (SRN or HIN), postcode and the control number shown on your proxy form.

By facsimile: 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia)

or for **Intermediary Online subscribers only** (custodians), cast the Shareholder's vote online by visiting www.intermediaryonline.com.

Any Proxy Forms received after that time will not be valid for the Meeting.

Corporate Representative

A corporation that is a Shareholder or a proxy may elect to appoint a person to act as its corporate representative at the meeting, in which case the corporate Shareholder or proxy (as applicable) must provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that Shareholder's or proxy's (as applicable) corporate representative. The authority must be sent to the Company and/or the Company's Share Registry (detailed above) in advance of the meeting.

Asking Questions

Shareholders may submit questions or comments to the Company in relation any item of business in advance of the Meeting. Questions must be submitted by emailing the Company Secretary at info@1414degrees.com.au by 5.00pm (Adelaide time) on 26 November 2020.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting). The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

Explanatory Memorandum

The Explanatory Memorandum accompanying this Notice of Annual General Meeting is incorporated in and comprises part of this Notice of Annual General Meeting and should be read in conjunction with this Notice.

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared to assist Shareholders in consideration of resolutions proposed for the Annual General Meeting of the Company to be held by virtual meeting on Monday 30 November 2020 commencing at 10:00 am (Adelaide time).

It should be read in conjunction with the accompanying Notice of Annual General Meeting.

ORDINARY BUSINESS

2. Financial Report

As required by section 317 of the Corporations Act, the Financial Statements, Directors' Report and Independent Audit Report of the Company for the most recent financial year will be presented to the Meeting.

There is no requirement for a formal resolution on this item of business.

The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, BDO Audit (SA) Pty Ltd (**BDO**), questions about the Independent Audit Report, the conduct of its audit of the Company's Financial Report for the year ended 30 June 2020, the preparation and content of the Independent Audit Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of BDO in relation to the conduct of the audit.

Shareholders may submit written questions to the Company in relation to the above matters in advance of the Meeting. See the Important Information section of the Notice of Meeting for details on how to submit questions in advance of the Meeting.

No Shareholder vote is required.

3. Resolution 1 — Remuneration Report for the year ended 30 June 2020

3.1 Background

In accordance with section 250R(2) of the Corporations Act, Shareholders are required to vote on the Company's Remuneration Report for the year ended 30 June 2020.

The Remuneration Report is contained in the Directors' Report in the 2020 Annual Report, which is available to view online at the Company's website <http://www.1414degrees.com.au> and despatched to those Shareholders who have elected to receive a hard copy of the report.

The Remuneration Report describes the underlying policies and structure of the remuneration arrangements of the Company and sets out the remuneration arrangements in place for Directors and senior executives for the year ended 30 June 2020.

The Corporations Act requires that a resolution to adopt the Remuneration Report be put to the vote at each Annual General Meeting of the Company. Shareholders should note that the vote on Resolution 1 is not binding on the Company or the Directors.

If 25% or more of the votes cast on a resolution to adopt the Remuneration Report are against the adoption of the Remuneration Report for two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution ("Spill Resolution") that another meeting be held within 90 days, at which all of the Company's Directors must go up for re-election.

3.2 Directors' Recommendation

The Directors recommend Shareholders vote in favour of Resolution 1. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 1.

3.3 Voting Exclusion Statement

As required by the Corporations Act, the Company will disregard any votes cast (in any capacity) on Resolution 1 by any member of the Company's Key Management Personnel, the details of whose remuneration are included in the Remuneration Report, and any Closely Related Party of such Key Management Personnel.

However, a person described above may cast a vote on Resolution 1 if the vote is not cast on behalf of a person described above and either:

- (a) the person does so as proxy appointed in writing that specifies how the proxy is to vote on the proposed resolution; or
- (b) the person is the Chairman of the meeting and has been appointed as proxy, and the proxy does not specify the way in which the Chairman is to vote on the Resolution; and the proxy form expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3.4 Important information for Shareholders:

Please note, in accordance with sections 250R(4) and (5) of the Corporations Act, the Chairman will not vote any undirected proxies in relation to Resolution 1 unless the Shareholder expressly authorises the Chairman to vote in accordance with the Chairman's stated voting intentions. Please note that if the Chairman of the Meeting is your proxy (or becomes your proxy by default), by completing the attached proxy form, you will expressly authorise the Chairman to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel for the Company, which includes the Chairman. You should be aware that the Chairman of the Meeting intends to vote undirected proxies in favour of the adoption of the Remuneration Report.

Alternatively, if you appoint the Chairman as your proxy, you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box on the proxy form.

As a further alternative, Shareholders can nominate as their proxy for the purposes of Resolution 1, a proxy who is not a member of the Company's Key Management Personnel or any of their Closely Related Parties. That person would be permitted to vote undirected proxies (subject to the ASX Listing Rules).

4. Resolution 2 — Election of Mr Richard Willson as a Director

4.1 Background

In accordance with clause 3.3 of the Company's Constitution, a Director appointed at any time except during a general meeting automatically retires at the next Annual General Meeting and is eligible for re-election by that Annual General Meeting.

Mr Willson was appointed as a Director of the Company on 2 July 2020 to fill a casual vacancy and will therefore retire at the Annual General Meeting. Mr Willson is eligible, and has offered himself, for election as a Director.

4.2 Information regarding Mr Willson

Mr Willson is a Non-Executive Director and the Company Secretary.

Having had regard to the ASX Principles, the Board considers Mr Willson to be an independent Director.

Mr Willson is an experienced non-executive director, company secretary and CFO with more than 20 years' experience with both publicly listed and private companies. Mr Willson has a Bachelor of Accounting from the University of South Australia, is a Fellow of CPA Australia, and a Fellow of the Australian Institute of Company Directors.

Mr Willson is a non-executive director of Titomic Limited (ASX:TTT), AusTin Mining Limited (ASX:ANW), Thomson Resources Limited (ASX:TMZ), Graphene Technology Solutions Limited, Unity Housing Company Limited and Variety SA; and company secretary of a number of ASX-listed companies. Mr Willson is the Chairman of the Audit Committee of Titomic Limited, AusTin Mining Limited, and Unity Housing Company, and is the Chairman of the Remuneration & Nomination Committee of Titomic Limited.

4.3 Directors' Recommendation

The Directors (excluding Mr Willson) unanimously recommend that Shareholders vote in favour of Resolution 2. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 2.

5. Resolution 3 — Re-election of Mr Dana Larson as a Director

5.1 Background

In accordance with clause 3.6(a) of the Company's Constitution, at every Annual General Meeting one-third of the Directors for the time being must retire from office and are eligible for re-election. This does not include any Director required to retire at the Annual General Meeting under clause 3.3 (in this instance, Mr Willson), and the Managing Director (being Dr Kevin Moriarty). On this basis, Mr Dana Larson is the only Director eligible to retire by rotation for the purposes of clause 3.6(a) of the Company's Constitution.

Further, clause 3.6(b) of the Company's Constitution provides that any Director who would, if that Director remained in office until the next Annual General Meeting, have held that office for more than three years since last being elected or appointed, must retire from office at the present Annual General Meeting and stand for re-election. Mr Larson was last re-elected at the Company's Annual General Meeting held on 31 October 2018. Depending on the date on which the Company's Annual General Meeting will be held in 2021, Mr Larson's current term could exceed three years if he is not re-elected at this Meeting.

Mr Larson will therefore retire at the Annual General Meeting. Mr Larson is eligible, and has offered himself, for re-election as a Director.

5.2 Information regarding Mr Larson

Mr Larson was first appointed as a Director of the Company on 18 October 2017.

Having had regard to the ASX Principles, the Board considers Mr Larson to be an independent Director.

Mr Larson is an energy expert with 18 years' experience primarily focusing on acquisitions, reservoir engineering, financial modelling, and engineering management. His most recent positions include undertaking technical assessments for American Energy Partners LP. He has a passion for cultivating a culture of success and for leveraging technical knowledge to create and optimise value for companies. He consults for hedge funds and wealthy individuals on exploration and production, mining and renewable energy and is currently running an energy acquisition and divestiture consultancy.

5.3 Directors' Recommendation

The Directors (excluding Mr Larson) unanimously recommend that Shareholders vote in favour of Resolution 3. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 3.

6. Resolution 4 – Approval to issue securities under the Company's Performance Rights Plan

6.1 Background

ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12-month period without requiring Shareholder approval. If Resolution 8 (Approval of Additional 10% Placement Capacity) is passed, this maximum capacity will be increased by 10% to 25% under ASX Listing Rule 7.1A.

ASX Listing Rule 7.2 allows certain issues of securities to be excluded from the calculation of the number of securities issued in the 12-month period under ASX Listing Rules 7.1 and 7.1A, including under Exception 13 for issues made under an employee incentive plan.

Exception 13 is only available for issues made under an employee incentive plan if, within three years before the date of issue:

- (a) for a plan which was established before the entity was listed, a summary of the terms of the plan were included in the prospectus lodged with ASX on listing; or
- (b) the holders of the entity's ordinary securities approved the issue of securities under the plan as an exception to ASX Listing Rule 7.2.

The Company is currently able to rely on ASX Listing Rule 7.2, Exception 13 to issue performance rights under the Performance Rights Plan on the basis that:

- (a) the Performance Rights Plan was established by the Company on 10 April 2018, prior to listing; and
- (b) section 12 of the prospectus lodged by the Company with ASX on 28 May 2018 included a summary of the terms of the Performance Rights Plan.

As such, the three-year timeframe is due to expire on 28 May 2021. Therefore, the Company is seeking Shareholder approval for the issue of securities under the Performance Rights Plan as an exception to ASX Listing Rule 7.2, so that any securities issued by the Company under the Performance Rights Plan after that date will not be included when calculating the Company's remaining placement capacity under ASX Listing Rule 7.1 and, if Resolution 8 (Approval of Additional 10% Placement Capacity) is passed, ASX Listing Rule 7.1A.

6.2 Requirements under ASX Listing Rule 7.2, Exception 13

In accordance with the requirements of ASX Listing Rule 7.2, Exception 13, the following information is provided by the Company:

- (a) The terms of the Company's Performance Rights Plan are outlined in section 6.3 below. The detailed terms and conditions of the Performance Rights Plan may be obtained free of charge by contacting the Company on +61 8 8357 8273 or by email at info@1414degrees.com.au.
- (b) Since the Company was listed on 12 September 2018 and as at the date of this Notice of Meeting, 8,892,500 performance rights have been granted under the Performance Rights Plan, 1,132,500 performance rights have been converted into Shares following the satisfaction of the applicable vesting conditions, and 3,460,000 performance rights have expired.
- (c) The maximum number of performance rights proposed to be issued under the Performance Rights Plan following Shareholder approval over the next three years is approximately 10,000,000 performance rights (some of which may vest during that time, with Shares allocated to the participant on vesting). This maximum is not intended to be a prediction of the actual number of performance rights to be issued under the Performance Rights Plan, but is specified for the purposes of setting a ceiling on the number of performance rights approved to be issued under and for the purposes of ASX Listing Rule 7.2, Exception 13. If that number is reached, fresh Shareholder approval under ASX Listing Rule 7.2, Exception 13 would be required, otherwise any additional issues of performance rights under the Performance Rights Plan over the maximum will count towards the calculation of the Company's placement capacity under ASX Listing Rule 7.1 (and, if applicable, any additional placement capacity approved under ASX Listing Rule 7.1A).
- (d) A voting exclusion statement in respect of Resolution 4 is included in section 6.5 below.

6.3 Terms of the Performance Rights Plan

(a) *Eligibility Criteria*

Subject to the rules of the Performance Rights Plan, the Performance Rights Plan is open to all eligible participants, being full time and part time employees and Directors of the Company or any of its related bodies corporate who the Board designates as being eligible. The Directors are entitled to participate in the Performance Rights Plan.

(b) ***Invitation and offer of performance rights***

Under the Performance Rights Plan, the Directors may invite eligible participants to participate in the Performance Rights Plan and make an offer to acquire performance rights for no consideration. The invitation must be in writing and specify, amongst other things, the number of performance rights that eligible participants may accept, the date on which the performance rights vest and any conditions to be satisfied before vesting, and any other terms attaching to the rights.

Following receipt by an eligible participant of an invitation, the eligible participant may make an offer by delivering a duly completed and signed application form to the Company within the closing time specified in the invitation. The Directors may decide to accept or reject an offer and an offer is accepted by the grant of performance rights to the participant.

(c) ***Vesting of performance rights***

The performance rights vest upon the satisfaction of any vesting conditions or any other conditions contained in the offer, following which the Company will allocate to the participant the number of Shares to which the participant is entitled under the terms of the offer.

(d) ***Lapse***

Unvested performance rights shall lapse upon the earlier of the date specified by the Board, the events contained in the offer or the rules of the Performance Rights Plan.

(e) ***Quotation***

Performance rights will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Performance Rights Plan in accordance with the ASX Listing Rules and having regard to any disposal restrictions.

(f) ***Assignment***

Performance rights are not transferable or assignable without the prior written approval of the Board.

(g) ***Administration***

The Performance Rights Plan is administered by the Board, or its delegates, in accordance with the rules of the Performance Rights Plan. The Board may make regulations and policies for operating and administering the Performance Rights Plan provided that such regulations and policies are consistent with the rules of the Performance Rights Plan.

(h) ***Termination and Amendment***

The Performance Rights Plan may be terminated or suspended at any time by the Board. To the extent permitted by the Corporations Act and the ASX Listing Rules, the Board may vary the rules of the Performance Rights Plan except where the amendment would have the effect of materially adversely affecting or prejudicing the rights of any participant holding performance rights.

6.4 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 4.

6.5 Voting Exclusion Statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) any person who is eligible to participate in the Performance Rights Plan; or
- (b) any associate of any such persons.

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

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

In addition, as required by the Corporations Act, no Key Management Personnel of the Company or a Closely Related Party of such a member may vote as a proxy on the resolution unless:

- (a) the person votes as a proxy appointed by writing that specifies how the person is to vote on the resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution; and votes as a proxy appointed by writing that expressly authorises the Chairman to vote on the resolution even though the resolution is connected directly or indirectly with the remuneration of Key Management Personnel of the Company.

7. Resolutions 5, 6 and 7 – Grant of Performance Rights to Directors

7.1 Background

The Company is proposing, subject to obtaining Shareholder approval, to issue performance rights to Dr Kevin Moriarty, Mr Richard Willson and Mr Dana Larson under the Company's Performance Rights Plan.

The number of performance rights to be issued to each Director, and the conditions attaching to those performance rights, are summarised in section 7.2 below. The terms of the Performance Rights Plan more generally are summarised in section 6.3 above.

ASX Listing Rule 10.14 requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

As Shareholder approval is sought under ASX Listing Rule 10.14, separate approvals under ASX Listing Rules 7.1 and 10.11 are not required to issue the performance rights to the Directors.

If Resolutions 5, 6 and 7 are passed, the Company will be able to proceed with the issue of the performance rights to the Directors. If any of Resolutions 5, 6 or 7 is not passed, the Company will not be able to proceed with the issue of the performance rights to the relevant Director. If this occurs, the Company will consider other forms of performance-based remuneration for that Director, including by the payment of cash.

It is noted that the Directors have been undertaking their duties for 25% -50% of normal remuneration during COVID-19.

Section 7 provides information in relation to each of Resolutions 5, 6 and 7. However, each Resolution is a separate and independent Resolution and is not conditional upon any other Resolution being approved by Shareholders.

7.2 Performance rights terms

Subject to Shareholder approval, the Company will issue the following performance rights to the Directors:

Director	Number of Performance Rights	Issue Date	Performance Hurdles	Vesting Date
Dr Kevin Moriarty	400,000	30 November 2020	100% increase in the Company's Share price	30 November 2020
	400,000	30 November 2020	200% increase in the Company's Share price	30 November 2021
Mr Richard Willson	200,000	30 November 2020	100% increase in the Company's Share price	30 November 2020
	200,000	30 November 2020	200% increase in the Company's Share price	30 November 2021
Mr Dana Larson	100,000	30 November 2020	100% increase in the Company's Share price	30 November 2020

The performance hurdles will be tested based on the VWAP of the Company's Shares over the 30 days preceding the relevant date. That is, the base Share price will be the 30-day VWAP of the Company's shares as at the issue date. This will be compared to the 30-day VWAP of the Company's shares at the relevant vesting date to determine whether the performance hurdles for those performance rights have been met.

If the above performance hurdles are not met as at the vesting date, the Director's performance rights will lapse.

The performance rights will be issued for nil cash consideration and no consideration will be payable upon vesting of the performance rights.

The Company will allocate each Director with one Share for each performance right that vests. Shares may be issued or acquired on market to satisfy the Director's entitlement to Shares on vesting of the performance rights.

Any Shares issued upon vesting of the performance rights will upon issue rank pari passu in all respects with other Shares. The performance rights will not be quoted on ASX, however if the Company issues Shares on vesting the Company must apply for the official quotation of those Shares within the time period required by the ASX Listing Rules.

7.3 Specific information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Performance Rights:

- (a) Subject to Shareholder approval, the performance rights will be issued under the Performance Rights Plan to Dr Moriarty, Mr Willson and Mr Larson, each of whom is a Director of the Company.
- (b) Each of Dr Moriarty, Mr Willson and Mr Larson is a related party of the Company by virtue of being a Director and falls into the category stipulated by ASX Listing Rule 10.14.1.
- (c) The total number of performance rights to be issued to each Director is as follows:
 - Dr Moriarty: 800,000 performance rights
 - Mr Willson: 400,000 performance rights
 - Mr Larson: 100,000 performance rights
- (d) Each Director's current total remuneration package as at the date of this Notice is as follows:

Director	Base Remuneration (inc. superannuation)	Performance Rights	Additional incentives/bonuses
Dr Kevin Moriarty	\$147,500	800,000	Nil
Mr Richard Willson	\$66,800	400,000	Nil
Mr Dana Larson	\$10,000	100,000	Nil

- (e) Each Director has previously been issued with the following performance rights under the Performance Rights Plan:

Director	Year	No. issued	No. Vested	No. Lapsed	No. Unvested
Dr Kevin Moriarty	2019	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil
Mr Richard Willson	2019	50,000	Nil	Nil	50,000
	2020	Nil	Nil	25,000	25,000
Mr Dana Larson	2019	Nil	Nil	Nil	Nil
	2020	Nil	Nil	Nil	Nil

The Directors have not paid any acquisition price to acquire these performance rights.

- (f) The material terms of the performance rights proposed to be issued are summarised in section 7.2 above. The Board considers that performance rights are an appropriate form of incentive because they reward the Directors for the achievement of a substantial increase to the share price over a period of up to 12 months from the issue date (which aligns with the interest of Shareholders) and the Directors will only obtain the value of the performance rights upon satisfaction of the performance hurdles.
- (g) Subject to Shareholder approval being obtained, the performance rights will be issued on the date of the Meeting.
- (h) No price is payable by the Directors for the issue of the performance rights, or any Shares to be allocated on vesting of the performance rights.
- (i) A summary of the material terms of the Performance Rights Plan is set out in section 6.3.
- (j) No loan will be provided to the Directors in relation to the issue of the performance rights.
- (k) Details of any securities issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (l) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Performance Rights Plan after Resolutions 5, 6 and/or 7 is approved and

who were not named in this Notice will not participate until approval is obtained under ASX Listing Rule 10.14.

- (m) A voting exclusion statement in respect of Resolutions 5, 6 and 7 is included in section 7.5.

7.4 Directors' Recommendations

The Directors (other than Dr Moriarty) unanimously recommend that Shareholders vote in favour of Resolution 5. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 5.

The Directors (other than Mr Willson) unanimously recommend that Shareholders vote in favour of Resolution 6. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 6.

The Directors (other than Mr Larson) unanimously recommend that Shareholders vote in favour of Resolution 7. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 7.

7.5 Voting Exclusion Statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 5, 6 or 7 by or on behalf of:

- (a) any person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Performance Rights Plan; or
- (b) any associate of any such persons.

However, this does not apply to a vote cast in favour of Resolution 5, 6 or 7 by:

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

In addition, as required by the Corporations Act, no Key Management Personnel of the Company or a Closely Related Party of such a member may vote as a proxy on the resolution unless:

- (a) the person votes as a proxy appointed by writing that specifies how the person is to vote on the resolution; or
- (b) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution; and votes as a proxy appointed by writing that expressly authorises the Chairman to vote on the resolution even though the resolution is connected directly or indirectly with the remuneration of Key Management Personnel of the Company.

8. Resolution 8 – Approval of Additional 10% Placement Capacity

8.1 Background

ASX Listing Rule 7.1A provides that an eligible entity may seek shareholder approval by special resolution passed at its annual general meeting to have the capacity to issue Equity Securities comprising up to 10% of its issued capital (**10% Placement Capacity**) in addition to its 15% placement capacity under ASX Listing Rule 7.1 (**15% Placement Capacity**).

The Company is seeking Shareholder approval by special resolution to have the ability to issue Equity Securities under the 10% Placement Capacity.

If Shareholders approve Resolution 8, the Directors will be able to issue Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period (defined below) without further Shareholder approval and without using

the Company's 15% Placement Capacity. The number of Equity Securities able to be issued under the 10% Placement Capacity will be determined at the time of issue in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (see section 8.2(c) below).

Resolution 8 is a special resolution and therefore requires at least 75% of the votes cast by Shareholders eligible to vote on Resolution 8 to be in favour of the resolution for it to be passed.

If Resolution 8 is not passed, the Company will not be able to access the 10% Placement Capacity to issue Equity Securities without Shareholder approval. The Company will be limited to the 15% Placement Capacity to issue Equity Securities without Shareholder approval pursuant to ASX Listing Rule 7.1.

8.2 ASX Listing Rule 7.1A

(a) *Is the Company an eligible entity?*

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the date of the annual general meeting at which the entity is seeking approval of the 10% Placement Capacity.

As at the date of this Notice of Meeting, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$24 million, based on the closing price of Shares \$0.14 on 19 October 2020.

(b) *What Equity Securities can be issued?*

Any Equity Security issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice of Meeting, the Company has on issue one quoted class of Equity Securities being the Shares.

(c) *How many Equity Securities can be issued?*

Under ASX Listing Rule 7.1A.2, if Shareholders approve Resolution 8 then the Company may issue or agree to issue, during the 10% Placement Period (defined below), a number of Equity Securities calculated in accordance with the following formula:

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

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- (a) plus the number of fully paid Shares issued in the 12 months:
 - under an exception in ASX Listing Rule 7.2 (other than Exceptions 9, 16 or 17);
 - on the conversion of convertible securities within ASX Listing Rule 7.2 Exception 9 where:
 - the convertible securities were issued or agreed to be issued before the 12 month period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the ASX Listing Rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
 - under an agreement to issue securities within ASX Listing Rule 7.2 Exception 16 where:
 - the agreement was entered into before the 12 month period; or
 - the agreement or issue was approved, or taken under the ASX Listing Rules to be approved, under ASX Listing Rule 7.1 or 7.4; and
 - with Shareholder approval under ASX Listing Rule 7.1 or 7.4. (this does not include any issue of Shares under the Company's 15% Placement Capacity without Shareholder approval);
 - (b) plus the number of partly paid Shares that became fully paid in the 12 months; and
 - (c) less the number of fully paid Shares cancelled in the 12 months.

Note that 'A' has the same meaning in ASX Listing Rule 7.1 when calculating the Company's 15% Placement Capacity.

- D** is 10%
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under ASX Listing Rule 7.1 or 7.4.

(d) ***Interaction between ASX Listing Rules 7.1 and 7.1A***

The ability of the Company to issue Equity Securities under ASX Listing Rule 7.1A will be in addition to its 15% Placement Capacity.

(e) ***At what price can the Equity Securities be issued?***

Any Equity Securities issued under ASX Listing Rule 7.1A must be issued for a cash consideration per security which is not less than 75% of the VWAP of securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
- (ii) if the securities are not issued within 10 Trading Days of the date described directly above, the date on which the securities are issued,

(Minimum Issue Price).

(f) ***When can Equity Securities be issued?***

Shareholder approval of the 10% Placement Capacity under ASX Listing Rule 7.1A will be valid from the date of the Meeting and will expire on the earlier to occur of:

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

(10% Placement Period).

8.3 Requirements for approval under ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the following information is provided in relation to the 10% Placement Capacity:

(a) **Period for issues**

The Company will only issue Equity Securities under the 10% Placement Capacity during the 10% Placement Period (see section 8.2(f) above).

(b) **Minimum issue price**

Where the Company issues Equity Securities under the 10% Placement Capacity, it will only do so for cash consideration and the issue price will be not less than the Minimum Issue Price (see section 8.2(e) above).

(c) **Purposes of issues**

The Company may seek to issue Equity Securities under the 10% Placement Capacity in order to raise funds for continued investment in the Company's Aurora Project and TESS technology, the acquisition of new assets or investments (including expenses associated with such an acquisition), and/or for general working capital.

(d) **Risk of economic and voting dilution**

Shareholders should note that there is a risk that:

- (i) the market price for the Company's quoted Equity Securities (being the Shares) may be significantly lower on the date of issue of Equity Securities under the 10% Placement Capacity than on the date of the Meeting; and
- (ii) Equity Securities may be issued under the 10% Placement Capacity at a price that is at a discount to the market price for the Company's Equity Securities on the date of issue, which may have an effect on the amount of funds raised by the issue of the Equity Securities under the 10% Placement Capacity.

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Capacity, the existing Shareholders' economic and voting power in the Company may be diluted as shown in the below table.

The below table shows the dilution of existing Shareholders based on the current market price of Shares and the current number of Shares for 'A' calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice of Meeting (**Variable A**), with:

- (i) two examples where Variable A has increased, by 50% and 100%; and
- (ii) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Share on issue (Variable A in ASX Listing Rule 7.1A.2)	Dilution			
	Issue price per Share	\$0.07 50% decrease in Current Market Price	\$0.14 Current Market Price	\$0.28 100% increase in Current Market Price
190,874,665 Shares Variable A	10% Voting Dilution	19,087,466 Shares	19,087,466 Shares	19,087,466 Shares
	Funds raised	\$1,336,122	\$2,672,245	\$5,344,490
286,311,998 Shares 50% increase in Variable A	10% Voting Dilution	28,631,199 Shares	28,631,199 Shares	28,631,199 Shares
	Funds raised	\$2,004,184	\$4,008,368	\$8,016,736
381,749,330 Shares 100% increase in Variable A	10% Voting Dilution	38,174,933 Shares	38,174,933 Shares	38,174,933 Shares
	Funds raised	\$2,672,245	\$5,344,491	\$10,688,981

Notes:

The table above has been prepared on the following assumptions:

- the issue price is the current market price \$0.14, being the closing price of the Shares on ASX on 19 October 2020, being the latest practicable date before finalising this Notice of Meeting;
 - Variable A is 190,874,665, comprising:
 - 173,522,423 existing Shares on issue as at the date of this Meeting, assuming the Company has not issued any Shares in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with Shareholder approval under ASX Listing Rule 7.1 and 7.4; and
 - a total of 17,352,242 Shares issued if Resolution 8 is passed at the Meeting.

- the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity;
- no convertible securities (including any issued under the 10% Placement Capacity) are exercised or converted into Shares before the date of the issue of the Equity Securities; and
- the issue of Equity Securities under the 10% Placement Capacity consists only of Shares. If the issue of Equity Securities includes quoted options, it is assumed that those quoted options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The number of Shares on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
- The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% Placement Capacity.

(b) Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the following factors including but not limited to:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing Shareholders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of the Notice of Meeting but may include existing substantial Shareholders and/or new investors who are not related parties of or associates of a related party of the Company.

(c) Issue of Equity Securities in the past 12 months

The Company has not issued or agreed to issue Equity Securities under ASX Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting.

(d) Voting Exclusion Statement

At the date of the Notice of Meeting, the Company is not proposing to make an issue of Equity Securities under ASX Listing Rule 7.1A and has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in any such issue.

However, in the event that between the date of the Notice of Meeting and the date of the Meeting, the Company proposes to make an issue of Equity Securities under ASX Listing Rule 7.1A to one or more existing Shareholders, those Shareholders' votes will be excluded under the voting exclusion statement in section 8.5.

8.4 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 8. The Chairman intends to vote undirected proxies in FAVOUR of Resolution 8.

8.5 Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue under ASX Listing Rule 7.1A (except a benefit solely by reason of being a Shareholder); or
- (b) any associate of any such persons.

However, this does not apply to a vote cast in favour of Resolution 8 by:

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

GLOSSARY

In this Explanatory Memorandum, the following terms have the following unless the context otherwise requires:

"**10% Placement Period**" has the meaning given to that term in section 1.1(f).

"**10% Placement Capacity**" has the meaning given to that term in section 8.1.

"**15% Placement Capacity**" has the meaning given to that term in section 8.1.

"**ASX**" means ASX Limited ACN 008 624 691 or the securities exchange operated by ASX Limited (as the context requires).

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

"**ASX Principles**" means the ASX Corporate Governance Principles and Recommendations (3rd edition).

"**Board**" means the Board of Directors from time to time.

"**Chairman**" means Dr Kevin Moriarty.

"**Closely Related Party**" has the meaning given to that term in the Corporations Act.

"**Company**" means 1414 Degrees Limited (ACN 138 803 620).

"**Constitution**" means the constitution of the Company from time to time.

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

"**Directors**" means the Directors of the Company from time to time and "**Director**" means any one of them.

"**Equity Securities**" has the same meaning as in the ASX Listing Rules.

"**Explanatory Memorandum**" means this explanatory memorandum.

"**Key Management Personnel**" has the meaning given to that term in the Corporations Act.

"**Minimum Issue Price**" has the meaning given that term in section 1.1(e).

"**Original Prospectus**" means the prospectus dated 30 April 2018 and lodged with ASIC on that date, which was replaced by the Prospectus.

"**Prospectus**" means the prospectus dated 28 May 2018 and lodged with ASIC on that date.

"**Shareholder**" means a holder of Shares in the Company.

"**Shares**" means fully paid ordinary shares in the capital of the Company and "**Share**" means any such share.

"**Trading Day**" has the meaning given in the ASX Listing Rules.

"**VWAP**" means volume weighted average market price.



ABN 57 138 803 620

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (Adelaide time) Saturday 28 November 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number:
SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of 1414 Degrees Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of 1414 Degrees Limited to be held virtually on Monday 30 November 2020 at 10:00am (Adelaide time) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 1, 4, 5, 6 & 7 (except where I/we have indicated a different voting intention in step 2) even though Items 1, 4, 5, 6 & 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 1, 4, 5, 6 & 7 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Business

	For	Against	Abstain
1 Adoption of the Remuneration Report for the year ended 30 June 2020	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr Richard Willson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Mr Dana Larson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to issue securities under the Company's Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Grant of Performance Rights to Dr Kevin Moriarty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Grant of Performance Rights to Mr Richard Willson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Grant of Performance Rights to Mr Dana Larson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

