



**Silex**  
Systems Limited

## **Notice of 2021 Annual General Meeting**

**10 September 2021**

Silex Systems Limited (Silex) (ASX: SLX) (OTCQX: SILXY) is today releasing the Notice of Meeting, Proxy Form and Notice and Access letter in relation to the Silex 2021 Annual General Meeting (AGM) to be held virtually on Thursday, 14 October 2021 at 9.30am AEDT.

A copy of the 2021 Annual Report is available on the Silex website at: [www.silex.com.au](http://www.silex.com.au). We look forward to updating shareholders on all of our activities at the upcoming AGM.

***Authorised for release by the Silex Board of Directors.***

Further information on the Company's activities can be found on the Silex website: [www.silex.com.au](http://www.silex.com.au) or by contacting:

**Michael Goldsworthy**

CEO/Managing Director

T +61 2 9704 8888

E [investor.relations@silex.com.au](mailto:investor.relations@silex.com.au)

**Julie Ducie**

CFO/Company Secretary

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## Notice of 2021 Annual General Meeting

Notice is given that the 2021 Annual General Meeting (**AGM**) of Silex Systems Limited ABN 69 003 372 067 (**the Company, Silex**) will be held virtually via webcast from Dentons Australia Limited, 77 Castlereagh Street, Sydney NSW 2000 Australia, on Thursday, 14 October 2021 at 9.30am (Sydney time).

In light of the continuing restrictions under the NSW Government's Public Health Orders in response to the COVID-19 pandemic, we have again adopted measures to allow Shareholders to participate in a virtual AGM online. Shareholders will be unable to attend the AGM in person. Specifically, the AGM will be made accessible to Shareholders via a live webcast as well as providing an online platform which will include the facility for Shareholders to ask questions in relation to the business of the meeting and to vote in real time at the meeting. These processes are set out in this Notice of Meeting.

The Board of Silex encourage Shareholders to participate in the meeting via the online platform. Whilst Shareholders will be able to vote online during the meeting, this carries inherent risks including in relation to the quality of your internet connection to the AGM webcast. Accordingly, Shareholders are encouraged to lodge a proxy ahead of the meeting, even if they are participating online. If you are not attending via the webcast, please lodge your proxy vote online at: [www.investorvote.com.au](http://www.investorvote.com.au) prior to 9.30am Sydney time on Tuesday, 12 October 2021.

The Explanatory Memorandum to this Notice provides Shareholders with additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice. Please consider them in their entirety.

We invite Shareholders to submit questions in advance of the meeting. Questions may be submitted by emailing [investor.relations@silex.com.au](mailto:investor.relations@silex.com.au) or by submitting an online question when lodging your proxy vote online at [www.investorvote.com.au](http://www.investorvote.com.au).

This Notice of Meeting, which includes the following Agenda, Additional Information and Explanatory Memorandum, details the formal business to be dealt with at the AGM. In summary, this includes the following items of business:

1. Receive and consider the formal reports for the 2021 financial year;
2. Adopt the 2021 Remuneration Report;
3. Re-elect Mr Craig Roy as a Non-executive Director of the Company;
4. Elect Ms Helen Cook as a Non-executive Director of the Company;
5. Approval of short-term incentive via the issue of Performance Rights to Dr Michael Goldsworthy, the CEO/Managing Director;
6. Approval of long-term incentive via the issue of Options to Dr Michael Goldsworthy, the CEO/Managing Director;
7. Approval of an extended long-term incentive via the issue of Performance Rights to Dr Michael Goldsworthy, the CEO/Managing Director; and
8. Approval of the issue of Shares in lieu of Directors' fees to Mr Craig Roy.

The Board recommend that Shareholders vote in favour of all resolutions.

We also advise that Ms Melissa Holzberger will be resigning as a Non-executive Director at the conclusion of this year's AGM. Ms Holzberger has made an outstanding contribution during her tenure, particularly in the areas of governance, risk and contributing with her extensive experience within the global uranium industry. The Board wish to sincerely thank Melissa for her astute counsel and valuable contribution to the Company.

The Board of Silex has determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 7.00pm Sydney time on Tuesday, 12 October 2021.

### **How to participate in the AGM online**

Shareholders can participate in the virtual AGM and watch the webcast online using one of the following methods:

- (a) from their computer, by entering the URL in their browser:  
<https://web.lumiagm.com/386285366>; or
- (b) from their mobile device, by entering the URL in their browser:  
<https://web.lumiagm.com/386285366>.

The online platform will once again allow Shareholders to view the meeting, vote and ask questions in real-time.

For further instructions on how to participate online please view the online meeting user guide at: [www.computershare.com.au/onlineetingguide](http://www.computershare.com.au/onlineetingguide).

### **How to submit your vote in advance of the meeting**

Proxy votes must be received by 9.30am Sydney time on Tuesday, 12 October 2021 to be valid for the purpose of voting at the meeting. Instructions on how to appoint a proxy are on the online voting website, [www.investorvote.com.au](http://www.investorvote.com.au). Your proxy may be appointed in a variety of ways described on page 7 of this Notice of Meeting under 'Additional Information'.

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## **AGENDA**

### **ORDINARY BUSINESS**

#### **1. FINANCIAL STATEMENTS AND REPORTS**

To receive and consider the financial report of the Company, and the reports of the Directors and of the Auditors for the year ended 30 June 2021. There is no vote on this item of business.

**Notes:** Except as set out in Resolution 1, there is no requirement for Shareholders to approve these reports. Accordingly, no resolution will be put to Shareholders on this item of business. For those Shareholders who have not elected to receive a hardcopy of the Company's Annual Report, the Annual Report is available on the Silex website at [www.silex.com.au](http://www.silex.com.au).

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#### **A. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT**

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

**“THAT** the Remuneration Report for the year ended 30 June 2021 be adopted.”

**Notes:** The Remuneration Report is set out on pages 27 to 39 of the Company's Annual Report.

#### **Voting Exclusion Statement – Resolution 1**

Pursuant to section 250R and in accordance with 250BD of the Corporations Act, a vote must not be cast by, or on behalf of, a member of the Key Management Personnel, or closely related parties of such member (each, an **Excluded Person**).

However, the Excluded Person may cast a vote on this Resolution if:

- (a) the vote is not cast on behalf of another Excluded Person and they have been appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the Excluded Person is the Chair and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution, and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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#### **B. RESOLUTION 2 – RE-ELECT MR CRAIG ROY AS A DIRECTOR**

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

**“THAT** Mr Craig Roy, being a Director of the Company, who retires as a Director in accordance with Rule 6.1(f) of the Constitution of the Company and, being eligible, offers himself for re-election, is re-elected as a Director of the Company.”

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**C. RESOLUTION 3 – ELECT MS HELEN COOK AS A DIRECTOR**

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

**“THAT** Ms Helen Cook, being a Director of the Company, who retires as a Director in accordance with Rule 6.1(e) of the Constitution of the Company and, being eligible, offers herself for election, is elected as a Director of the Company, and her appointment shall take effect on and from the date that this resolution is passed.”

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**D. RESOLUTION 4 – APPROVAL OF SHORT-TERM INCENTIVE VIA THE ISSUE OF PERFORMANCE RIGHTS TO DR MICHAEL GOLDSWORTHY**

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, approval is given for the Company to issue 300,000 Performance Rights as a four-year incentive under the Silex Systems Limited Employee Incentive Plan, to Dr Michael Goldsworthy (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

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**E. RESOLUTION 5 – APPROVAL OF LONG-TERM INCENTIVE VIA THE ISSUE OF OPTIONS TO DR MICHAEL GOLDSWORTHY**

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, approval is given for the Company to issue 750,000 Options as a five-year incentive under the Silex Systems Limited Employee Incentive Plan, to Dr Michael Goldsworthy (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

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**F. RESOLUTION 6 – APPROVAL OF EXTENDED LONG-TERM INCENTIVE VIA THE ISSUE OF PERFORMANCE RIGHTS TO DR MICHAEL GOLDSWORTHY**

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, approval is given for the Company to issue 412,500 Performance Rights as a 5.5-year incentive under the Silex Systems Limited Employee Incentive Plan, to Dr Michael Goldsworthy (or his nominee) on the terms and conditions set out in the Explanatory Memorandum.”

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**Voting Exclusion Statement – Resolutions 4, 5 & 6**

Silex shall disregard any votes cast in favour of Resolutions 4, 5 and 6 by any person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Silex Systems Limited Employee Incentive Plan, and an associate of those persons. The Company will not disregard a vote cast in favour of a resolution if:

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

**Voting Prohibition – Resolutions 4, 5 & 6**

Pursuant to section 250BD of the Corporations Act, a vote must not be cast as proxy by, or on behalf of, a member of the Key Management Personnel, or closely related parties of such member (each, an **Excluded Person**).

However, the Excluded Person may cast a vote on Resolutions 4, 5 and 6 if:

- (a) the vote is not cast on behalf of another Excluded Person and they have been appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
  - (b) the Excluded Person is the Chair and the appointment of the Chair does not specify the way the proxy is to vote on the Resolution, and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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## G. RESOLUTION 7 - APPROVAL OF THE ISSUE OF SHARES IN LIEU OF DIRECTORS' FEES TO MR CRAIG ROY

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

**"THAT** for the purposes of ASX Listing Rule 10.11 and all other purposes, approval is given for the Company to allot and issue 84,507 shares, reflecting \$60,000 in Directors' fees at \$0.71 per share, to Mr Craig Roy (or his nominee), who is a Director of the Company, on the terms and conditions set out in the Explanatory Memorandum."

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### Voting Exclusion Statement – Resolution 7

Silex shall disregard any votes cast in favour of Resolution 7 by Mr Roy, an associate of Mr Roy, and any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company). The Company will not disregard a vote cast in favour of a resolution if:

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

### Voting Prohibition – Resolution 7

Pursuant to section 250BD of the Corporations Act, a vote must not be cast as proxy by, or on behalf of, a member of the Key Management Personnel, or closely related parties of such member (each, an **Excluded Person**).

However, the Excluded Person may cast a vote on Resolution 7 if:

- (a) the vote is not cast on behalf of another Excluded Person and they have been appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; or
  - (b) the Excluded Person is the Chair and the appointment of the Chair does not specify the way the proxy is to vote on the Resolution, and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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**ADDITIONAL INFORMATION**

1. The Explanatory Memorandum following provides further details of the proposed resolutions.
2. For the purposes of this meeting, Shares will be taken to be held by the persons who are registered as Shareholders at 7.00pm Sydney time on Tuesday, 12 October 2021. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the Meeting.
3. A Shareholder entitled to attend and vote is entitled to appoint no more than two (2) proxies.
4. Votes may be cast "For", "Against" or not voted on a resolution ("Abstain"). A Shareholder may direct a proxy how to vote on any resolution by placing a mark (e.g., a cross) in the appropriate box on the Proxy Form and their votes may only be exercised in that manner.
5. If a Shareholder is entitled to cast two (2) or more votes at the Annual General Meeting, the Shareholder may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise on a poll. If the appointment does not specify the proportion or the number of the Shareholder's votes that each proxy may exercise, each proxy is entitled to exercise half of the Shareholder's votes on a poll. Fractions will be disregarded. A proxy need not be a Shareholder of the Company.
6. The form of proxy must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be signed either under seal or under the hand of a duly authorised officer, representative or attorney. In the case of joint holders, the form of proxy should be signed by all holders.
7. To be valid, the form appointing the proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney must be lodged at the registered office or the share registry of the Company, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001 (or by facsimile to 1800 783 447 within Australia or +61 3 9473 2555 outside Australia) at least 48 hours prior to the Annual General Meeting (that is, by no later than 9.30am Sydney time on Tuesday, 12 October 2021). A form of proxy accompanies this Notice of Annual General Meeting.
8. Alternatively, you may appoint a proxy using an electronic facility available at the website [www.investorvote.com.au](http://www.investorvote.com.au). At the website, shareholders will be able to view an electronic version of the Proxy Form, which will accept proxy appointments and register them accordingly.
9. Custodian voting – For Intermediary Online subscribers only (custodians) please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.
10. Please refer to the accompanying Proxy Form for further detailed information regarding how to vote on Items of Business.



## EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared to provide information which the Directors believe to be material to Shareholders to help them determine how to vote on the Resolutions set out in the Notice of Meeting.

## FINANCIAL STATEMENTS AND REPORTS

Under the Corporations Act, the Company's 2021 Annual Report to Shareholders, which includes the financial report, as well as the Directors' report (which includes the Remuneration Report) and the Auditor's report, must be laid before the Meeting. The Company's 2021 Annual Report is available on the Company's website at [www.silex.com.au](http://www.silex.com.au) and has been sent to those Shareholders who have elected to receive a printed copy in the mail.

Shareholders are not required to vote on the financial report or the Directors' and Auditor's reports. However, an opportunity for Shareholders to discuss these reports will be provided at the Meeting. Shareholders may also submit questions in advance of the meeting as outlined on page 1 of this Notice of Meeting.

## RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

The Directors' report for the year ended 30 June 2021 contains the Remuneration Report, which sets out the policy for the remuneration of the Directors and other Key Management Personnel. The Remuneration Report is set out on pages 27 to 39 of the Company's 2021 Annual Report which is available from the Company's website at [www.silex.com.au](http://www.silex.com.au). An opportunity to discuss the Remuneration Report will be provided at the Meeting.

The Company's remuneration strategy is designed to provide a link between the achievement of the Company's strategic objectives and executive rewards. It is designed to reward, motivate and retain the Company's executive team through market competitive remuneration and benefits, to support the success of the Company's business and ultimately to create shareholder value. The 2021 Remuneration Report details the multi-year equity-based short and long-term incentives recommended to be offered. Greater emphasis is recommended to be placed on at-risk equity-based remuneration, under-pinned by multi-year performance outcomes to support the execution of Silex's strategy and future success.

The Corporations Act requires that a resolution be put to the vote that the Remuneration Report be adopted. The Corporations Act expressly provides that the vote is advisory only, and does not bind the Directors or the Company. The Board of the Company will take into account the discussion on this Resolution and the outcome of the vote when considering the future remuneration arrangements of the Company. The Corporations Act provides Shareholders with the opportunity to remove the whole board (except the CEO/Managing Director) if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings. The Company's Remuneration Report did not receive a Strike at the 2020 Annual General Meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the Company's 2022 Annual General Meeting, this may result in a re-election of the Board.

Resolution 1 is an ordinary resolution. The Chair intends to exercise all available proxies in favour of Resolution 1. If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

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**RESOLUTION 2 – RE-ELECT MR CRAIG ROY AS A DIRECTOR**

Rule 6.1(f) of the Company's Constitution requires an election of directors to take place each year with at least one director (excluding the CEO/Managing Director) retiring from office. The Director referred to in Resolution 2 (Mr Craig Roy) is retiring in accordance with Rule 6.1(f) and, being eligible, offers himself for re-election.

**Mr Craig Roy**

MBA MSc FAICD

Independent Non-executive Director

Appointed: January 2019 (appointed Chair on 1 January 2019)  
Last elected: November 2019

Board Committees: Chair of the People & Remuneration Committee  
Member of the Audit Committee

Mr Craig Roy is an experienced company director and senior executive who has held a number of leadership roles in the innovation and technology space. He was the Deputy Chief Executive Officer of CSIRO, Australia's pre-eminent national science and technology organisation from 2010 until 2018 and his main responsibilities included strategy, commercialisation and business development, innovation and entrepreneurship programs, growing the international business, environmental sustainability, communications and governance. Additionally, Mr Roy was responsible for overseeing CSIRO's science and diverse research portfolio of investments to ensure maximum benefits from an investment of approximately \$1 billion each year.

He has held various director and Chair positions in several prominent Australian organisations with technology and big data specialisations including Data 61, the Australian National Commission of UNESCO and the University of Technology, Sydney Vice Chancellor's Industry Board. He is currently the Chair of Australian Research Data Commons (ARDC) and a Non-executive Director of Sydney Water.

Mr Roy currently holds 175,000 Silex Shares. If elected, the Board considers Mr Roy will be an independent director.

***Board Recommendation***

The Board recommends (with Mr Roy abstaining and not voting) that Shareholders vote in favour of this Resolution.

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**RESOLUTION 3 – ELECT MS HELEN COOK AS A DIRECTOR**

The Company announced on 6 September 2021 the intended appointment of Ms Helen Cook as a Director of the Company effective 14 October 2021, in accordance with Rule 6.1(d) of the Company's Constitution.

Rule 6.1(e) of the Company's Constitution requires a Director appointed under Rule 6.1(d) to retire at the next Annual General Meeting and, under Rule 6.1(i), the retiring Director is eligible for election for that office. The Director referred to in Resolution 3 (Ms Helen Cook) is retiring in accordance with Rule 6.1(e) and, being eligible, offers herself for election.

**Ms Helen Cook**

LLB (Hons) BA

Independent Non-executive Director

Appointed: October 2021

Board Committees: Member of the People & Remuneration Committee  
Member of the Audit Committee

Ms Helen Cook is principal of GNE Advisory Pty Ltd, a law practice dedicated to the global civil nuclear energy sector. Ms Cook has extensive experience in major nuclear power projects and transactions around the world, and is recognised by the International Atomic Energy Agency (IAEA) as a global nuclear law expert. Most recently, Ms Cook spent approximately 9 years (to 2020) based in Washington, DC and has extensive relationships with key US Government agencies and US nuclear industry groups. She is also the author of the highly regarded and authoritative book: *The Law of Nuclear Energy*.

Throughout her career, Ms Cook has also held a number of nuclear industry leadership and committee positions including Chair (2016 – 2018) and Vice-Chair (2014 – 2016) of the Law Working Group of the World Nuclear Association, and is currently a member of the Executive Committee of Australian Nuclear Association.

Ms Cook brings key areas of expertise to the Board including, extensive nuclear commercial, international relations and trade, nuclear regulatory, legal compliance, governance and risk oversight experience.

**Board Recommendation**

The Board recommends that Shareholders vote in favour of this Resolution.

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**RESOLUTIONS 4, 5, 6 and 7 – EXEMPTION FROM CHAPTER 2E APPROVAL**

In accordance with section 208 of the Corporations Act, for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's Shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Under section 211 of the Corporations Act, member approval is not needed to give a financial benefit to a related party if the remuneration is reasonable given the circumstances of the company giving the remuneration and the related party's circumstances.

The payment of the equity-based incentives in connection with Dr Goldsworthy's remuneration constitutes the giving of a financial benefit to a related party, however, the Board considers that Shareholder approval pursuant to Chapter 2E is not required in respect of the issue of the Director Rights which is the subject of Resolutions 4 and 6 and the Director Options which is the subject of Resolution 5, as the giving of such financial benefit is reasonable in all the circumstances as market remuneration to Dr Goldsworthy for his services.

The partial payment of Directors' fees in the form of Silex shares in connection with Mr Roy's remuneration constitutes the giving of a financial benefit to a related party, however, the Board considers that Shareholder approval pursuant to Chapter 2E is not required in respect of the issue of Silex shares which is the subject of Resolution 7, as the giving of such financial benefit is reasonable in all the circumstances as market remuneration to Mr Roy for his services.

## RESOLUTION 4 – APPROVAL OF SHORT-TERM INCENTIVE VIA THE ISSUE OF PERFORMANCE RIGHTS TO DR MICHAEL GOLDSWORTHY

As detailed in the Remuneration Report, an equity-based multi-year incentive program has been developed for the CEO/Managing Director, subject to Shareholder approval. Approval is sought for Dr Goldsworthy to be granted 300,000 Performance Rights under the Plan as his short-term incentive for 12-month performance periods for the financial years ending 30 June 2022 to 2025. The Performance Rights will be subject to performance criteria set annually by the Board at the commencement of each financial year, as follows:

Grant Date (est.)*	Performance Period	Number
1 November 2021	FY2022	75,000
1 November 2021	FY2023	75,000
1 November 2021	FY2024	75,000
1 November 2021	FY2025	75,000

\* Subject to Shareholder approval

Each Performance Right entitles Dr Goldsworthy to one fully paid ordinary share in the Company, subject to the satisfaction of the various performance and service conditions. Any shares allocated to Dr Goldsworthy on vesting of the Performance Rights will be subject to a further 2-year trading restriction period from the date of issue of the shares. New shares will be issued for allocation to Dr Goldsworthy subject to the satisfaction of the performance and service conditions and will rank equally with other ordinary shares in the Company.

The Board recommends the issue of 300,000 Performance Rights (**Director Rights**) to Dr Goldsworthy on the basis of the terms detailed in Schedules 1 and 2.

Approval for the issue of the Director Rights is sought under ASX Listing Rule 10.14. Listing Rule 10.14 requires Shareholder approval to be obtained where the Company issues, or agrees to issue, securities under an employee incentive scheme, such as the Employee Incentive Plan, to a director of the Company. Dr Goldsworthy is a related party of the Company by virtue of being a Director.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. ASX Listing Rule 7.2 (Exception 14) sets out an exception to ASX Listing Rule 7.1, which provides that approval of this Resolution 4 and the issue of Director Rights to Dr Goldsworthy will fall within Exception 14 and will not be included in the calculation of Silex's 15% placement capacity for the purposes of Listing Rule 7.1. The issue of shares on vesting of the Director Rights will also be excluded from the Listing Rule 7.1 placement capacity.

The maximum number of Director Rights that may be issued to Dr Goldsworthy as his short-term incentive is 300,000. The Rights are to be issued for nil consideration, and the underlying Vesting Conditions must be met by the end of the Performance Period noted above. No loan will be provided in relation to the Director Rights.

In the event Shareholder approval is granted for this Resolution 4, the Director Rights will be issued no later than 1 November 2021 or in any event, no later than 3 years after the date of the meeting. Should Shareholders not approve the issue of the Director Rights, the Board may consider alternative short-term incentive arrangements for Dr Goldsworthy.

**Information required by Listing Rule 10.15**

- (a) The person to receive the Director Rights is Dr Michael Goldsworthy.
- (b) The proposed issuance of the Director Rights to Dr Goldsworthy is subject to Shareholder approval under Listing Rule 10.14.1 because Dr Goldsworthy is a Director of Silex.
- (c) The maximum number of securities that will be issued to Dr Goldsworthy is 300,000 Director Rights.
- (d) For FY2022, Dr Goldsworthy's total fixed remuneration (inclusive of superannuation) is \$551,874. Subject to Shareholder approval and in accordance with this resolution, he will be offered variable compensation comprising 75,000 Director Rights as his FY2022 equity-based short-term incentive. In addition, and subject to Shareholder approval, he will also be offered equity-based long-term incentives in the form of Options and Rights. Shareholders are referred to the Remuneration Report for further details regarding Dr Goldsworthy's remuneration.
- (e) Of the 490,000 Rights that have already been issued to persons under the Plan, 100,000 Director Rights have been issued to Dr Goldsworthy as part of his remuneration package for FY2021:

Grant date	Rights Issued	Rights Vested
23 November 2020*	100,000	77,000

\* Approved by Shareholders at the 2020 AGM

- (f) The Rights proposed to be issued to Dr Goldsworthy were valued by the Company with reference to the volume weighted average price (VWAP) for the 10-trading days preceding 25 June 2021, being \$0.94. The notional total value of the proposed incentive for the four-year Performance Period is \$282,000 or \$70,500 for each underlying performance year. Should the Rights be approved for issue, the final fair value of the Rights will be determined based on the market price of the Company's shares at the grant date or for those Rights that are subject to a market condition, with reference to a Monte Carlo simulation taking into account the volatility of the Company's shares and other factors.
- (g) The Director Rights will be issued for nil consideration and otherwise on the terms set out in Schedules 1 and 2.
- (h) Silex uses Rights under the Plan as it creates alignment between employees and shareholders. Rights do not provide employees with the full benefits of share ownership (such as voting rights) unless and until the underlying performance and service conditions are met and shares are issued.
- (i) For a summary of the material terms of the Plan, please refer to Schedule 1.
- (j) Subject to Shareholders approving Resolution 4, the Director Rights will be issued to Dr Goldsworthy no later than 1 November 2021 or in any event, no later than 3 years after the date of the meeting.
- (k) No loan will be provided to Dr Goldsworthy in relation to the issue or conversion of the Director Rights.

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- (l) Details of any securities issued under the Plan (including the Director Rights) will be published in the Company's Annual Report for the period when the securities were issued and for which approval was obtained under Listing Rule 10.14. Should this Resolution 4 be approved by Shareholders, any additional related parties who may become entitled to participate in the Plan and who are not named in this notice of meeting will not participate in the Plan until Shareholder approval is obtained under Listing Rule 10.14.
  - (m) A voting exclusion statement is included in the Notice in relation to this Resolution 4.

***Board Recommendation***

The Board recommends (with Dr Goldsworthy abstaining and not voting) that Shareholders vote in favour of this resolution.



## RESOLUTION 5 – APPROVAL OF LONG-TERM INCENTIVE VIA THE ISSUE OF OPTIONS TO DR MICHAEL GOLDSWORTHY

Silex is committed to providing all staff with the opportunity to receive equity-based compensation to drive performance and incentivise retention. The Board also recognises the importance of incentivising the CEO/Managing Director on a consistent basis, in a manner that focuses efforts on delivering long-term value for shareholders while at the same time, preserving cash reserves as much as possible. As detailed in the Remuneration Report, an equity-based multi-year incentive program has been developed for the CEO/Managing Director, subject to Shareholder approval.

It is proposed that an equity-based long-term incentive be included in CEO/Managing Director, Dr Michael Goldsworthy's remuneration package to cover five performance years (i.e., FY2021 (in arrears) through to and including FY2025). The Board recommends the issue of 750,000 Options (**Director Options**) to Dr Goldsworthy under the Employee Incentive Plan (**Plan**) on the basis of the terms detailed in Schedules 1 and 3. The Plan was last approved by Shareholders at the 2019 Annual General Meeting.

Approval for the issue of the Director Options is sought under ASX Listing Rule 10.14. Listing Rule 10.14 requires Shareholder approval to be obtained where the Company issues, or agrees to issue, securities under an employee incentive scheme, such as the Plan, to a director of the Company. Dr Goldsworthy is a related party of the Company by virtue of being a Director.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. ASX Listing Rule 7.2 (Exception 14) sets out an exception to ASX Listing Rule 7.1, which provides that approval of this Resolution 5 and the issue of Options to Dr Goldsworthy will fall within Exception 14 and will not be included in the calculation of Silex's 15% placement capacity for the purposes of Listing Rule 7.1. The issue of shares on exercise of the Options will also be excluded from the Listing Rule 7.1 placement capacity.

The maximum number of Options that may be issued to Dr Goldsworthy is 750,000. The Options are to be issued for nil consideration at an exercise price of \$0.94, determined on the basis of the volume weighted average price (VWAP) for the 10-trading days preceding 25 June 2021. No loan will be provided in relation to the potential exercise of the Options at the completion of the vesting period. If approved by Shareholders, the Options will vest and expire as follows:

Grant Date (est.)*	Service Period	Vesting Date	Expiry Date	Number of Options
1 November 2021	1 July 2020 to 25 June 2024	25 June 2024	5 years after grant date	150,000
1 November 2021	1 July 2020 to 30 June 2024	30 June 2024	5 years after grant date	150,000
1 November 2021	1 July 2020 to 30 June 2025	30 June 2025	6 years after grant date	150,000
1 November 2021	1 July 2020 to 30 June 2026	30 June 2026	7 years after grant date	150,000
1 November 2021	1 July 2020 to 30 June 2027	30 June 2027	8 years after grant date	150,000
<b>Total Options</b>				<b>750,000</b>

\* Subject to Shareholder approval

In the event Shareholder approval is granted for this Resolution 5, the Director Options will be issued no later than 1 November 2021 or in any event, no later than 3 years after the date of the meeting. Should Shareholders not approve the issue of the Director Options, the Board may consider alternative long-term incentive arrangements for Dr Goldsworthy.

**Information required by Listing Rule 10.15**

- (a) The person to receive the Director Options is Dr Michael Goldsworthy.
- (b) The proposed issuance of the Director Options to Dr Goldsworthy is subject to Shareholder approval under Listing Rule 10.14.1 because Dr Goldsworthy is a Director of Silex.
- (c) The maximum number of securities that will be issued to Dr Goldsworthy is 750,000 Options.
- (d) For FY2022, Dr Goldsworthy's total fixed remuneration (inclusive of superannuation) is \$551,874. Subject to Shareholder approval and in accordance with this resolution, he will be offered variable compensation comprising 75,000 Director Rights as his FY2022 equity-based short-term incentive. In addition, and subject to Shareholder approval, he will also be offered equity-based long-term incentives in the form of Options and Rights. Shareholders are referred to the Remuneration Report for further details regarding Dr Goldsworthy's remuneration.
- (e) Of the 2,410,000 Options that have already been issued to persons under the Plan, 250,000 Options have been issued to Dr Goldsworthy as part of his remuneration package for FY2019 and FY2020. The Options were issued for nil consideration, as follows:

Grant Date	Vesting Date	Expiry Date	Number of Options
2 December 2019*	21 May 2022	1 December 2024	100,000
23 November 2020**	23 November 2023	22 November 2025	150,000
<b>Total Options</b>			<b>250,000</b>

\* Approved by Shareholders at the 2019 AGM

\*\* Approved by Shareholders at the 2020 AGM

- (f) The estimated potential maximum value of the 750,000 Options proposed to be issued is \$407,880. The final fair value of the Options proposed to be issued to Dr Goldsworthy will be determined using a Binomial option pricing model if granted. **For illustration purposes only**, using an assumed date of issue of 30 June 2021, the value of the 150,000 Options to be issued for the performance period 1 July 2020 to 25 June 2024 would be calculated as follows:

<b>150,000 Options granted for nil consideration and vest 25 June 2024</b>	
Notional valuation date	30 June 2021
Silex 10-day VWAP preceding 25 June 2021	\$0.94
Exercise price of Options	\$0.94
Share price at 30 June 2021	\$0.90
Expiry date	30 June 2025
Expected volatility of the Company's shares	73%
Estimated dividend yield	0%
Risk-free interest rate	0.1%
<b>Valuation per option</b>	<b>\$0.462</b>
<b>Valuation for 150,000 Options to vest 25 June 2024</b>	<b>\$69,300</b>

A similar calculation will be performed for the Options attributable to each of the five performance periods.

- (g) The Director Options will be issued for nil consideration with each Option exercisable at \$0.94 following vesting and on or before the expiry date and otherwise on the terms set out in Schedules 1 and 3.

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- (h) Silex uses Options under the Plan as it creates alignment between employees and shareholders. Options do not provide employees with the full benefits of share ownership (such as voting rights) unless and until the underlying vesting criteria is met and the Options are exercised.
  - (i) For a summary of the material terms of the Plan, please refer to Schedule 1.
  - (j) Subject to Shareholders approving Resolution 5, the Director Options will be issued to Dr Goldsworthy no later than 1 November 2021 or in any event, no later than 3 years after the date of the meeting.
  - (k) No loan will be provided to Dr Goldsworthy in relation to the issue or conversion of the Director Options.
  - (l) Details of any securities issued under the Plan (including the Director Options) will be published in the Company's Annual Report for the period when they were issued and for which approval was obtained under Listing Rule 10.14. Should this Resolution 5 be approved by Shareholders, any additional related parties who may become entitled to participate in the Plan and who are not named in this Notice of Meeting will not participate in the Plan until Shareholder approval is obtained under Listing Rule 10.14.
  - (m) A voting exclusion statement is included in the Notice in relation to this Resolution 5.

**Board Recommendation**

The Board recommends (with Dr Goldsworthy abstaining and not voting) that Shareholders vote in favour of this resolution.

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**RESOLUTION 6 – APPROVAL OF EXTENDED LONG-TERM INCENTIVE VIA THE ISSUE OF PERFORMANCE RIGHTS TO DR MICHAEL GOLDSWORTHY**

As detailed in the Remuneration Report, an equity-based multi-year incentive program has been developed for the CEO/Managing Director, subject to Shareholder approval. A key part of the new incentive program is the proposed Extended Long-term Incentive (**LTI**). The Extended LTI has been designed with performance objectives that are linked to the scale-up of the SILEX uranium enrichment technology by 31 December 2025. Achievement of the performance objectives and vesting of the Extended LTI will be subject to independent verification.

It is proposed that an extended equity-based long-term incentive be included in CEO/Managing Director, Dr Michael Goldsworthy's remuneration package to cover 5.5 performance years commencing 1 July 2020 and ending 31 December 2025. The Board recommends the issue of 412,500 Performance Rights (**Director Rights**) to Dr Goldsworthy under the Employee Incentive Plan (**Plan**) on the basis of the terms detailed in Schedules 1 and 4. The Plan was last approved by Shareholders at the 2019 Annual General Meeting. Subject to Shareholder approval, the 412,500 Director Rights are to be issued to Dr Goldsworthy no later than 1 November 2021.

Each Performance Right entitles Dr Goldsworthy to one fully paid ordinary share in the Company, subject to the satisfaction of the various performance and service conditions. Any shares allocated to Dr Goldsworthy on vesting of the Director Rights will be subject to a further 2-year trading restriction period from the date of issue of the shares. New shares will be issued for allocation to Dr Goldsworthy subject to the satisfaction of the performance and service conditions and will rank equally with other ordinary shares in the Company.

Approval for the issue of the Director Rights is sought under ASX Listing Rule 10.14. Listing Rule 10.14 requires Shareholder approval to be obtained where the Company issues, or agrees to issue, securities under an employee incentive scheme, such as the Employee Incentive Plan, to a director of the Company. Dr Goldsworthy is a related party of the Company by virtue of being a Director.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. ASX Listing Rule 7.2 (Exception 14) sets out an exception to ASX Listing Rule 7.1, which provides that approval of this Resolution 6 and the issue of Director Rights to Dr Goldsworthy will fall within Exception 14 and will not be included in the calculation of Silex's 15% placement capacity for the purposes of Listing Rule 7.1. The issue of shares on vesting of the Director Rights will also be excluded from the Listing Rule 7.1 placement capacity.

The maximum number of Director Rights that may be issued to Dr Goldsworthy as his Extended LTI is 412,500. The Rights are to be issued for nil consideration, and the underlying Vesting Conditions must be met by the end of the Performance Period, being 31 December 2025. No loan will be provided in relation to the Director Rights.

In the event Shareholder approval is granted for this Resolution 6, the Director Rights will be issued no later than 1 November 2021 or in any event, no later than 3 years after the date of the meeting. Should Shareholders not approve the issue of the Director Rights, the Board may consider alternative Extended LTI arrangements for Dr Goldsworthy.

**Information required by Listing Rule 10.15**

- (a) The person to receive the Director Rights is Dr Michael Goldsworthy.
- (b) The proposed issuance of the Director Rights to Dr Goldsworthy is subject to Shareholder approval under Listing Rule 10.14.1 because Dr Goldsworthy is a Director of Silex.
- (c) The maximum number of securities that will be issued to Dr Goldsworthy is 412,500 Director Rights.
- (d) For FY2022, Dr Goldsworthy's total fixed remuneration (inclusive of superannuation) is \$551,874. Subject to Shareholder approval, he will be offered variable compensation comprising 75,000 Director Rights as his FY2022 equity-based short-term incentive. In addition, and subject to Shareholder approval, he will also be offered equity-based long-term incentives in the form of Options and Rights. Shareholders are referred to the Remuneration Report for further details regarding Dr Goldsworthy's remuneration.
- (e) Of the 490,000 Rights that have already been issued to persons under the Plan, 100,000 Director Rights have been issued to Dr Goldsworthy as part of his remuneration package for FY2021:

Grant date	Rights Issued	Rights Vested
23 November 2020*	100,000	77,000

\* Approved by Shareholders at the 2020 AGM

- (f) The Rights proposed to be issued to Dr Goldsworthy were valued by the Company with reference to the volume weighted average price (VWAP) for the 10-trading days preceding 25 June 2021, being \$0.94. The notional total value of the proposed incentive for the 5.5-year Performance Period is \$387,750. Should the Rights be approved for issue, the final fair value of the Rights will be determined based on the market price of the Company's shares at the grant date.
- (g) The Director Rights will be issued for nil consideration and otherwise on the terms set out in Schedules 1 and 4.
- (h) Silex uses Rights under the Plan as it creates alignment between employees and shareholders. Rights do not provide employees with the full benefits of share ownership (such as voting rights) unless and until the underlying performance and service conditions are met and shares are issued.
- (i) For a summary of the material terms of the Plan, please refer to Schedule 1.
- (j) Subject to Shareholders approving Resolution 6, the Director Rights will be issued to Dr Goldsworthy no later than 1 November 2021 or in any event, no later than 3 years after the date of the meeting.
- (k) No loan will be provided to Dr Goldsworthy in relation to the issue or conversion of the Director Rights.

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- (l) Details of any securities issued under the Plan (including the Director Rights) will be published in the Company's Annual Report for the period when the securities were issued and for which approval was obtained under Listing Rule 10.14. Should this Resolution 6 be approved by Shareholders, any additional related parties who may become entitled to participate in the Plan and who are not named in this notice of meeting will not participate in the Plan until Shareholder approval is obtained under Listing Rule 10.14.
  - (m) A voting exclusion statement is included in the Notice in relation to this Resolution 6.

***Board Recommendation***

The Board recommends (with Dr Goldsworthy abstaining and not voting) that Shareholders vote in favour of this resolution.

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**RESOLUTION 7 - APPROVAL OF THE ISSUE OF SHARES IN LIEU OF DIRECTORS' FEES TO MR CRAIG ROY**

Resolution 7 seeks the approval of Shareholders under ASX Listing Rule 10.11 for the issue of Shares to Mr Craig Roy (or his nominee), who is a Director of the Company. Mr Roy, a Non-executive Director and Chair, has agreed to receive 84,507 Shares at a deemed price of \$0.71 per share in lieu of a cash payment of \$60,000, being 50% of the Directors' fees payable for the 3-year term of his appointment as Chair of Global Laser Enrichment Holdings LLC (**GLE Holdco**).

In the event Shareholder approval is granted for this Resolution 7, the Shares will be issued to Mr Roy no later than one month after the date of the AGM. The Shares will be subject to an escrow period that coincides with the end of his term as GLE Holdco Chair, being 31 December 2023 and a proportion of the Shares will vest annually in line with the completion of each year of service.

Should Shareholders not approve the issue of the Shares to Mr Roy, the Board will revert to the cash payment of Directors' fees.

The agreement by Mr Roy to be paid part of his remuneration in Shares demonstrates Mr Roy's confidence and long-term commitment to the Company. The purpose of Resolution 7 is to seek approval of the issue of 84,507 Shares to Mr Roy in lieu of cash remuneration as detailed above.

**Information required by Listing Rule 10.13**

- (a) The person to receive the Shares is Mr Craig Roy.
- (b) The proposed issuance of the Shares to Mr Roy is subject to Shareholder approval under Listing Rule 10.11.1 because Mr Roy is a Director of Silex.
- (c) The maximum number of securities that will be issued to Mr Roy is 84,507 ordinary fully paid Shares.
- (d) Subject to Shareholders approving Resolution 7, the Shares will be issued to Mr Roy no later than one month after the date of the AGM.
- (e) The Shares are proposed to be issued in exchange for \$60,000 of Directors' fees (i.e., 84,507 Shares at \$0.71 per share, being the 10-trading day volume weighted average price at which the Company's shares traded on the Australian Stock Exchange preceding 17 December 2020 (as announced to the ASX on 25 February 2021 in the Company's Operational Update)).
- (f) No funds will be raised from the issue of Shares to Mr Roy. The Share issue is in lieu of the cash payment for a portion of the remuneration owing to Mr Roy for his services to GLE Holdco, as outlined above.



- (g) For FY2022, Mr Roy total remuneration package (excluding Superannuation) is as follows:

	<b>FY2022 (\$)</b>
Silex Systems Limited - Chair	100,000
Audit Committee - Member	8,000
People & Remuneration Committee - Chair	10,000
<b>Other</b>	
Global Laser Enrichment Holdings LLC – Chair *	40,000
<b>Total fees (excluding Superannuation)</b>	<b>158,000</b>

\* Proposed payment is 50/50 Silex Shares/Cash

- (h) The Shares proposed to be issued will be subject to an escrow period that coincides with the end of Mr Roy's term as GLE Holdco Chair, being 31 December 2023. Full details of any Shares issued will be published in the Company's Annual Report for the period when the securities were issued and for which approval was obtained under Listing Rule 10.11.
- (i) A voting exclusion statement is included in the Notice in relation to this Resolution 7.

### **Board Recommendation**

The Board recommends (with Mr Roy abstaining and not voting) that Shareholders vote in favour of this resolution.

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

Dated: 10 September 2021



**Julie Ducie**  
Company Secretary

### Schedule 1: Key Terms of Employee Incentive Plan

The key terms of the Employee Incentive Plan (**Plan**) are as follows:

<b>Administration of Plan</b>	The Plan is administered by the Board, or a committee of the Board.
<b>Eligibility</b>	Participants in the Plan may be an Employee (full or part time), an officer, a contractor or executive director of the Company and any related body corporate of the Company and who is declared by the Board to be eligible to receive grants of Awards under the Plan ( <b>Participant</b> ).
<b>Issue of Awards</b>	<p>The Company may offer or issue:</p> <ul style="list-style-type: none"> <li>i) Options;</li> <li>ii) Performance Rights; or</li> <li>iii) Exempt Share Awards;</li> </ul> <p>to Employees on the basis of Vesting Conditions specified in an Offer that may be issued to Employees from time to time.</p>
<b>Offer</b>	<p>The Company may, from time to time, in its absolute discretion, make a written offer to any Participant to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Company determines (<b>Offer</b>). The Offer will specify:</p> <ul style="list-style-type: none"> <li>(i) the name and address of the Employee to whom the Offer is made;</li> <li>(ii) the type of Awards being offered;</li> <li>(iii) the number of Awards being offered;</li> <li>(iv) any Vesting Conditions for the Awards;</li> <li>(v) the Issue Price and/or Exercise Price for the Awards, or the manner in which the Issue Price and/or Exercise Price is to be determined;</li> <li>(vi) any Financial Assistance that is offered in connection with the Awards;</li> <li>(vii) the Expiry Date (if any);</li> <li>(viii) any Restriction Period;</li> <li>(ix) any other terms or conditions that the Board decides to include; and</li> <li>(x) any other matters required to be specified in the Offer by either the Corporations Act or the ASX Listing Rules.</li> </ul>
<b>Suspension, termination and amendment of the Plan</b>	The Plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the ASX Listing Rules.
<b>Allotment of Shares on exercise or vesting of Awards</b>	<p>The Company will apply for any shares to be issued under the Plan to be credited as fully paid and admitted to trading on the ASX upon issue of the shares. Quotation on the ASX will be subject to the ASX Listing Rules and any trading restrictions applying to the shares.</p> <p>Subject to any restrictions imposed under the Plan, shares allotted will rank equally with all other issued shares from the issue date.</p>

**Schedule 2: Terms and conditions of Performance Rights recommended for issue to Dr Michael Goldsworthy as a Short-term Incentive (per Resolution 4)**

<b>Vesting Conditions</b>	<p>Each short-term incentive (<b>STI</b>) Director Right is subject to annual Performance and Service-based Vesting Conditions for each year from FY2022 to FY2025 which must be satisfied before that Director Right can be exercised. Dr Goldsworthy must remain employed by the Company on a continuous basis for each respective service period which ends on 30 June each year.</p> <p>Subject to Shareholder approval, with respect to FY2022, the Performance Conditions have been set by the Board and comprise of four challenging performance criteria designed to align the interests of Dr Goldsworthy with those of Shareholders. Performance Condition (<b>PC</b>) 1 relates to the achievement of share price growth; PC2 and PC3 relate to specific strategic deliverables associated with the Company's technology development programs, and PC4 relates to corporate priorities associated with the Company's investment in Global Laser Enrichment LLC.</p> <p>The FY2022 Performance Conditions will be assessed by the Board (independent of Dr Goldsworthy) at the end of the Performance Period (i.e., 30 June 2022) and at the conclusion of each subsequent financial year through to and including FY2025.</p>
<b>Issue Price</b>	\$nil
<b>Exercise Price per Award</b>	\$nil
<b>Exercise</b>	To the extent the that the Performance and Service-based Vesting Conditions are satisfied, the Director Rights will vest and shares will be issued to Dr Goldsworthy.
<b>Date by which Vesting Conditions must be met</b>	<p>With respect to FY2022, by 30 June 2022.</p> <p>With respect to FY2023, by 30 June 2023.</p> <p>With respect to FY2024, by 30 June 2024.</p> <p>With respect to FY2025, by 30 June 2025.</p>
<b>Lapse of Rights</b>	<p>The Director Rights automatically and immediately lapse:</p> <ul style="list-style-type: none"> <li>(a) if the Performance and Service-based Conditions have not been met by the end of each Performance Period; or</li> <li>(b) if Dr Goldsworthy ceases to be an eligible employee, unless the Board has determined otherwise in its absolute discretion.</li> </ul>
<b>Restriction Period following Exercise</b>	Any Shares issued will be subject to a 2-year trading restriction period from the date of issue.
<b>Clawback</b>	The Shares subject to the Restriction Period and restricted from trading for 2 years following issue and may be forfeitable in the event of inappropriate or unethical conduct by Dr Goldsworthy.
<b>Change of Control</b>	In the event of a takeover or change of control of the Company, the Board has a discretion to determine that vesting of all or some of the Rights should be accelerated. If a change of control occurs before the Board has exercised its discretion, a pro rata portion of the Rights will vest, calculated based on the portion of the relevant Performance Period that has elapsed up to the change of control, and the Board retains a discretion to determine if the Rights will vest or lapse.

**Schedule 3: Terms and conditions of Options recommended for issue to Dr Michael Goldsworthy as a Long-term Incentive (per Resolution 5)**

<b>Vesting Conditions and Expiry Date</b>	<p>Each Option is subject to a Service-based Vesting Condition which must be satisfied before that Option can be exercised. Dr Goldsworthy must remain employed by the Company on a continuous basis for the entire service period, as follows.</p> <table><tr><th>Service Period</th><th>Vesting Date</th><th>Expiry Date</th><th>Number of Options to Vest</th></tr><tr><td>1 July 2020 to 25 June 2024</td><td>25 June 2024</td><td>5 years after grant date</td><td>150,000</td></tr><tr><td>1 July 2020 to 30 June 2024</td><td>30 June 2024</td><td>5 years after grant date</td><td>150,000</td></tr><tr><td>1 July 2020 to 30 June 2025</td><td>30 June 2025</td><td>6 years after grant date</td><td>150,000</td></tr><tr><td>1 July 2020 to 30 June 2026</td><td>30 June 2026</td><td>7 years after grant date</td><td>150,000</td></tr><tr><td>1 July 2020 to 30 June 2027</td><td>30 June 2027</td><td>8 years after grant date</td><td>150,000</td></tr><tr><td colspan="3">Total</td><td>750,000</td></tr></table> <p><i>*Subject to Shareholder approval issue date anticipated to be no later than 1 November 2021</i></p>	Service Period	Vesting Date	Expiry Date	Number of Options to Vest	1 July 2020 to 25 June 2024	25 June 2024	5 years after grant date	150,000	1 July 2020 to 30 June 2024	30 June 2024	5 years after grant date	150,000	1 July 2020 to 30 June 2025	30 June 2025	6 years after grant date	150,000	1 July 2020 to 30 June 2026	30 June 2026	7 years after grant date	150,000	1 July 2020 to 30 June 2027	30 June 2027	8 years after grant date	150,000	Total			750,000
Service Period	Vesting Date	Expiry Date	Number of Options to Vest																										
1 July 2020 to 25 June 2024	25 June 2024	5 years after grant date	150,000																										
1 July 2020 to 30 June 2024	30 June 2024	5 years after grant date	150,000																										
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1 July 2020 to 30 June 2026	30 June 2026	7 years after grant date	150,000																										
1 July 2020 to 30 June 2027	30 June 2027	8 years after grant date	150,000																										
Total			750,000																										
<b>Issue Price</b>	\$nil																												
<b>Exercise Price per Award</b>	\$0.94 – determined on the basis of the volume weighted average price (VWAP) for the 10-trading days preceding 25 June 2021, the date the Board approved Dr Goldsworthy’s remuneration package (subject to Shareholder approval).																												
<b>Exercise</b>	Dr Goldsworthy is entitled to exercise an Option on or after the Vesting Date. Options may be exercised by delivering to the Company a notice stating the number of Options to be exercised together with the Exercise Price for the Shares to be issued.																												
<b>Lapse of Options</b>	<p>The Options automatically and immediately lapse:</p> <p>(a) if they have not been exercised before Expiry; or</p> <p>(b) if Dr Goldsworthy ceases to be an eligible employee, unless the Board has determined otherwise in its absolute discretion.</p>																												
<b>Restriction Period following Exercise</b>	Any Shares issued will be subject to a 2-year trading restriction period from the date of exercise.																												
<b>Clawback</b>	The Shares subject to the Restriction Period and restricted from trading for 2 years following exercise and may be forfeitable in the event of inappropriate or unethical conduct by Dr Goldsworthy.																												
<b>Change of Control</b>	In the event of a takeover or change of control of the Company, the Board has a discretion to determine that vesting of all or some of the Options should be accelerated. If a change of control occurs before the Board has exercised its discretion, a pro rata portion of the Options will vest, calculated based on the portion of the relevant Performance Period that has elapsed up to the change of control, and the Board retains a discretion to determine if the remaining Options will vest or lapse.																												

**Schedule 4: Terms and conditions of Performance Rights recommended for issue to Dr Michael Goldsworthy as an Extended Long-term Incentive (per Resolution 6)**

<b>Vesting Conditions</b>	<p>Each Extended long-term incentive (<b>LTI</b>) Director Right is subject to Performance and Service-based Vesting Conditions for the period 1 July 2020 to 31 December 2025 which must be satisfied before that Director Right can be exercised. The Performance Conditions are linked to the full-scale pilot demonstration of the SILEX uranium enrichment technology by 31 December 2025. Achievement of the Performance Conditions and vesting of the Extended LTI will be subject to independent verification at the end of the Performance Period (i.e., 31 December 2025).</p> <p>A market announcement will then be made in due course regarding the achievement or otherwise of the Performance-based Vesting Conditions (i.e., the full-scale pilot demonstration of the technology has been completed).</p>
<b>Issue Price</b>	\$nil
<b>Exercise Price per Award</b>	\$nil
<b>Exercise</b>	To the extent the that the Performance and Service-based Vesting Conditions are satisfied, the Director Rights will vest and shares will be issued to Dr Goldsworthy.
<b>Date by which Vesting Conditions must be met</b>	31 December 2025
<b>Lapse of Rights</b>	<p>The Director Rights automatically and immediately lapse:</p> <ul style="list-style-type: none"> <li>(a) if the Performance and Service-based Conditions have not been met by the end of the Performance Period; or</li> <li>(b) if Dr Goldsworthy ceases to be an eligible employee, unless the Board has determined otherwise in its absolute discretion.</li> </ul>
<b>Restriction Period following Exercise</b>	Any Shares issued will be subject to a 2-year trading restriction period from the date of issue.
<b>Clawback</b>	The Shares subject to the Restriction Period and restricted from trading for 2 years following issue and may be forfeitable in the event of inappropriate or unethical conduct by Dr Goldsworthy.
<b>Change of Control</b>	In the event of a takeover or change of control of the Company, the Board has a discretion to determine that vesting of all or some of the Rights should be accelerated. If a change of control occurs before the Board has exercised its discretion, a pro rata portion of the Rights will vest, calculated based on the portion of the relevant Performance Period that has elapsed up to the change of control, and the Board retains a discretion to determine if the Rights will vest or lapse.

## Need assistance?



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



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:30 am (Sydney time)** Tuesday 12 October 2021

# 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](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://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: 185657**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://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

I/We being a member/s of Silex Systems Limited hereby appoint

☐ the Chair of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chair 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 Chair 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 Silex Systems Limited to be held virtually at <https://web.lumiagm.com> with meeting ID 386-285-366 on Thursday, 14 October 2021 at 9.30am (Sydney time) and at any adjournment or postponement of that meeting.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair 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 Chair.

**Important Note:** If the Chair of the Meeting is (or becomes) your proxy you can direct the Chair 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.

	For	Against	Abstain
1 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-elect Mr Craig Roy as a Non-executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Elect Ms Helen Cook as a Non-executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of short-term incentive via the issue of Performance Rights to Dr Michael Goldsworthy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of long-term incentive via the issue of Options to Dr Michael Goldsworthy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of an extended long-term incentive via the issue of Performance Rights to Dr Michael Goldsworthy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval of the issue of Shares in lieu of Directors' fees to Mr Craig Roy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chair 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





# Silex

Systems Limited  
A.B.N. 69 003 372 067

## Need assistance?



**Phone:**

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



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

SLX

## Silex Systems Limited Annual General Meeting

The Silex Systems Limited Annual General Meeting will be held on Thursday, 14 October 2021 at 9:30am (Sydney time). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit: [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:

**Control Number: 185657**

SRN/HIN:

For your proxy appointment to be effective it must be received by 9:30am (Sydney time) Tuesday, 12 October 2021.



### ATTEND THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit: <https://web.lumiagm.com/386285366>

For instructions refer to the online user guide: [www.computershare.com.au/onlinemeetingguide](http://www.computershare.com.au/onlinemeetingguide)