

Webcentral 2021 Annual General Meeting

ASX Announcement, 17 November 2021



Webcentral Limited (ASX:WCG)(**Webcentral**) announces that its 2021 Annual General Meeting will be held at 11.00 am (Melbourne time) on Tuesday, 21 December 2021. The meeting will be held entirely as a virtual meeting at <https://meetings.linkgroup.com/WCGAGM21>.

A copy of the Notice of Meeting and sample proxy form accompanies this Announcement.

For Shareholders who have elected to receive electronic communications, the link to the Notice of Meeting will be emailed by 19 November 2021 to those Shareholders. For all other Shareholders, the Notice of Meeting and unique Proxy Form will be despatched by post no later than 19 November 2021.

Given current COVID-19 restrictions and in accordance with Treasury Laws Amendment (2021 Measures No.1) Act 2021, the Annual General Meeting will be held virtually through an online platform provided by our share registrar Link Market Services at <https://meetings.linkgroup.com/WCGAGM21>.

No physical place of meeting will be made available.

Using the above link Shareholders will be able to fully participate in the meeting including by lodging votes and asking questions. Webcentral encourages shareholders to submit written questions and vote by appointing a proxy prior to the meeting. Questions can be submitted prior to the meeting by using a shareholder question form available at the company's website: <https://www.webcentral.com.au/corporate/agm>. Voting can be undertaken directly online at linkmarketservices.com.au or by using the unique Proxy Form provided to each shareholder.

Investor Enquiries

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About Webcentral

Webcentral is an Australian owned digital services company who empower more than 330,000 customers to grow and thrive in the online world. Our portfolio of digital services is extensive, with market leading offers across domain management, website development and hosting, office and productivity applications and online marketing.

Our customer focussed heritage has been built on expertise, innovation and personalised service; critical attributes delivered through our culture and embraced by our people. This is demonstrated through more than 25 years of online industry leadership across Australia's digital foundation brands such as Melbourne IT, Netregistry and WME.

The Webcentral mission is dedicated to leading online success for our customers. We achieve this by building trusted and valued client relationships which convert successful business outcomes at each milestone across the customers' digital journey.

WEBCENTRAL LIMITED

ACN 073 716 793

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of Shareholders of Webcentral Limited ACN 073 716 793 (**WCG**, **Webcentral** or **Company**) will be held:

Date: Tuesday, 21 December 2021
 Time: 11.00am (Melbourne time)
 Venue: Online at <https://meetings.linkgroup.com/WCGAGM21>

The Annual General Meeting will be held as a virtual meeting. Shareholders are requested to participate in the Annual General Meeting via the Company's online virtual platform, or by the appointment of a proxy. Please see page 9 for details outlining the process Shareholders should follow to participate in the Annual General Meeting.

In accordance with the *Treasury Laws Amendment (2021 Measures No.1) Act 2021*, the Company will not be mailing physical copies of this Notice of Meeting to Shareholders, and instead this Notice of Meeting will be sent electronically to Shareholders where the Company has a record of their email address, or will otherwise be made available to Shareholders where the Company does not have a record of their email address through a URL set out in a postcard sent to them by mail. Please see page 9 for further details regarding the despatch of this Notice of Meeting to Shareholders.

Certain terms and abbreviations used in this Notice of Meeting and the Explanatory Memorandum are defined in the Glossary to, or elsewhere in, the Explanatory Memorandum.

BUSINESS

FINANCIAL REPORT

To receive and consider the Annual Financial Statements, the Directors' Report and Audit Report of the Company and its Controlled Entities for the 18 months ended 30 June 2021.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following non-binding ordinary resolution:

"That the Remuneration Report contained in the Annual Report for the 18 months ended 30 June 2021 be adopted."

Note: the vote on this Resolution 1 is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution 1.

Voting Exclusion Statement

The Company will disregard any votes cast on the proposed resolution for adoption of the Remuneration Report by or on behalf of:

- (a) a member of Key Management Personnel (**KMP**); or
- (b) a Closely Related Party of a KMP, whether the votes are cast as a Shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast by a KMP or a Closely Related Party of a KMP if it is cast as a proxy and it is not cast on behalf of a KMP or a Closely Related Party of a KMP and either:

- (c) the proxy is appointed in writing that specifies the way the proxy is to vote or
- (d) the proxy is the Chairman, and the proxy does not specify the way the proxy is to vote and the proxy expressly authorises the Chairman to exercise the proxy even if the resolution is connected with the remuneration of a member of KMP.

Important consideration for Resolution 1

If you are KMP or a Closely Related Party of KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR JASON ASHTON

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

‘That, for the purpose of rules 9.3 and 9.9 of the Constitution of the Company, ASX Listing Rules 14.4 and 14.5 and for all other purposes, Mr Jason Ashton who retires, and being eligible, is elected as a Director.’

3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR JOE GANGI

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

‘That, for the purpose of rule 9.3 of the Constitution of the Company, ASX Listing Rules 14.4 and 14.5 and for all other purposes, Mr Joe Gangi who retires, and being eligible, is elected as a Director.’

4. RESOLUTION 4 – REDUCTION OF CAPITAL

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

‘That, for the purposes of sections 256B(1) and 256C(2) of the Corporations Act, and for all other purposes, the 69,524,461 shares in the Company held by 5G Networks Limited

and 5G Network Operations Pty Ltd be cancelled for no consideration on the terms and conditions set out in the Explanatory Memorandum.'

5. RESOLUTION 5 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

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

"That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Shares equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares) or any associate of that person or persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman 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 confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 6 – APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO MR JOE GANGI

To consider and, if thought fit, to pass, with or without amendment, 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 1,500,000 Director Options to Mr Joe Gangi or his nominee under the Executive and Director Share Option Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Executive and Director Share Option Plan, or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman 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 confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (iii) a member of the Key Management Personnel; or
 - (iv) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even through this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. **RESOLUTION 7 – APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO MS NATALIE MACTIER**

To consider and, if thought fit, to pass, with or without amendment, 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 1,500,000 Director Options to Ms Natalie Mactier or her nominee under the Executive and Director Share Option Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Executive and Director Share Option Plan, or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman 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 confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (iii) a member of the Key Management Personnel; or
 - (iv) a Closely Related Party of such a member; and

- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even through this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. **RESOLUTION 8 – APPROVAL OF ISSUE OF DIRECTOR OPTIONS TO MR JASON ASHTON**

To consider and, if thought fit, to pass, with or without amendment, 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 1,500,000 Director Options to Mr Jason Ashton or his nominee under the Executive and Director Share Option Plan on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Executive and Director Share Option Plan, or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman 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 confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (iii) a member of the Key Management Personnel; or
 - (iv) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even through this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 9 – APPROVAL OF ISSUE OF PERFORMANCE RIGHTS TO J D MANAGEMENT GROUP PTY LTD

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

“That, for the purposes of ASX Listing Rules 7.1 and 10.11 and for all other purposes, approval is given for the Company to issue 15,000,000 Performance Rights to J D Management Group Pty Ltd (an entity controlled by Mr Joe Demase, a director of the Company) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of J D Management Group Pty Ltd and Mr Joe Demase and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chairman 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 confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

10. RESOLUTION 10 – AMENDMENT OF CONSTITUTION

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

“That, with effect from the close of the Annual General Meeting, the virtual meeting and restricted securities provisions set out in Schedule 3 to the Explanatory Memorandum be inserted in the Constitution as new rules 7.13 and 20.3 respectively.”

EXPLANATORY MEMORANDUM

An Explanatory Memorandum in respect of the Resolutions set out above is attached to or otherwise accompanies this Notice of Meeting.

Expressions, terms or abbreviations defined in the Explanatory Memorandum have the same meaning when used in this Notice of Meeting.

By Order of the Board

Joe Gangi
Chairman

16 November 2021

VIRTUAL ANNUAL GENERAL MEETING

In accordance with *Treasury Laws Amendment (2021 Measures No.1) Act 2021*, the Company will not be mailing physical copies of this Notice of Meeting to Shareholders. This Notice of Meeting will be despatched to Shareholders in the following manner:

- if the Share Registry has a record of a Shareholder's email address, the Company will send an email to that Shareholder with this Notice of Meeting included as an attachment to that email; or
- if the Share Registry does not have a record of a Shareholder's email address, the Company will mail a physical postcard to that Shareholder's registered address, containing a URL website address by which that Shareholder can access and download a copy of this Notice of Meeting electronically.

Despite the above, for each Shareholder who has nominated (in accordance with the Corporations Act) to receive documents to which Division 3 of Part 2G.5 of the Corporations Act applies in hard copy only, this Notice of Meeting will be posted to that Shareholder's registered address.

Shareholders are requested to participate in the Annual General Meeting virtually via our virtual Annual General Meeting platform at 10.30am (Melbourne time) or via the appointment of a proxy.

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Annual General Meeting using the instructions below.

VOTING ENTITLEMENTS

In accordance with section 1074E(2)(g) of the Corporations Act and regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), persons holding Shares at 7.00 pm (Melbourne time) on Sunday, 19 December 2021 will be treated as Shareholders. This means that if you are not the registered holder of a relevant Share at that time you will not be entitled to attend and vote in respect of that Share at the Annual General Meeting.

ANNUAL GENERAL MEETING CONSIDERATIONS AND SHAREHOLDER QUESTIONS

A discussion will be held on all Resolutions to be considered at the Annual General Meeting.

All Shareholders will have a reasonable opportunity to participate and ask questions during the Annual General Meeting via the virtual Annual General Meeting platform.

To ensure that as many Shareholders as possible have the opportunity to speak, Shareholders are requested to observe the following procedures at the Annual General Meeting:

- all Shareholder questions should be stated clearly and should be relevant to the business of the Annual General Meeting;
- if a Shareholder has more than one question on an item, all questions should be asked at the one time; and
- Shareholders should not ask questions at the Annual General Meeting regarding personal matters or matters that are commercial in confidence.

Shareholders who prefer to register questions in advance of the Annual General Meeting are invited to do so. A Shareholder question form is available on the Company's website: <https://www.webcentral.com.au/>.

The Company will attempt to address the more frequently asked questions in the Annual General Meeting. Written questions must be received by the Company or Link Market Services Limited by 11.00 am (Melbourne time) on Sunday, 19 December 2021, and can be submitted online or delivered by mail, fax or in person.

ALL RESOLUTIONS BY POLL

The chair of the Meeting intends to call a poll on each of the Resolutions proposed at the Annual General Meeting. Each Resolution considered at the Annual General Meeting will therefore be conducted by poll, rather than a show of hands. The chair considers voting by poll to be in the interests of the Shareholders as a whole, and to ensure the representation of as many Shareholders as possible at the meeting.

HOW TO VOTE

Using the online platform

We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Annual General Meeting using the instructions below:

- enter <https://meetings.linkgroup.com/WCGAGM21> into a web browser on your computer or online device;
- Shareholders will need their SRN or HIN: and
- proxyholders will need their proxy code which Link Market Services Limited will provide via email no later than 48 hours prior to the Meeting.

Online voting will be open between the commencement of the Annual General Meeting at 11.00 am (Melbourne time) on Tuesday, 21 December 2021 and the time at which the chair announces voting closure.

More information about online participation in the Annual General Meeting is available in the online platform guide at linkmarketservices.com.au.

Appointing a proxy

A member can appoint a proxy to attend the Annual General Meeting and vote on their behalf, using the enclosed Proxy Form (which can also be access online). A member who is entitled to vote at the Annual General Meeting may appoint:

- one proxy, if the member is only entitled to one vote; or
- two proxies, if the member is entitled to more than one vote.

Where the member appoints two proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one half of the votes, in which case any fraction of votes will be discarded. A proxy need not be a member of the Company.

If you require an additional Proxy Form, please contact Link Market Services Limited at +61 1300 554 474.

The Proxy Form and the power of attorney or other authority (if any) under which it is signed (or a certified copy) must be received by the Share Registry, Link Market Services Limited, no later than 11.00am (Melbourne time) on Sunday, 19 December 2021 (that is, at least 48 hours before the meeting). Proxies received after this time will not be accepted.

Instructions for completing the Proxy Form are outlined on the form, which may be returned by:

- posting it in the reply-paid envelope provided;
- posting it Webcentral Limited c/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235;
- hand delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138 or Level 12, 680 George Street, Sydney NSW 2000;
- faxing it to Link Market Services Limited on +61 2 9287 0309; or
- lodging it online at linkmarketservices.com.au in accordance with the instructions provided on the website. You will need your HIN or SRN to lodge your Proxy Form online.

Proxy Forms from corporate shareholders must be executed in accordance with their constitution or signed by a duly authorised attorney.

A proxy may decide whether to vote on any motion except where the proxy is required by law or the Constitution to vote, or abstain from voting, in their capacity as a proxy. If a proxy directs how to vote on an item of business, the proxy may only vote on that item, in accordance with that direction. If a proxy is not directed how to vote on an item of business, a proxy may vote how he/she thinks fit, subject to any voting exclusions or restrictions.

The Constitution provides that where the appointment of a proxy has not identified the person who may exercise it, the appointment will be deemed to be in favour of the chair of the meeting to which it relates, or to another person as the Board determines.

Subject to any voting exclusions or restrictions, if a Shareholder appoints the chair of the Meeting as the Shareholder's proxy and does not specify how the chair is to vote on an item of business, the chair intends to vote, as a proxy for that Shareholder, in favour of the item on a poll. The Company recommends that Shareholders who submit proxies including proxies in favour of the chair to direct their proxy how to vote on the item concerned.

Shareholders should note that any statement as to how the chair of the Meeting intends to vote undirected proxies expresses the chair's intention at the date of this Notice of Meeting and the chair's intention may change subsequently. If there is such a change, Webcentral will make an appropriate announcement to ASX stating that fact and the reasons for the change.

BODY CORPORATE REPRESENTATIVES

- A Shareholder that is a corporation may, by resolution of its directors or other governing body, authorise a person to act as its representative to vote at the Annual General Meeting.
- A representative appointed by a Shareholder that is a corporation may be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Shareholder of the Company.
- To evidence the authorisation, either a certificate of body corporate representative executed by the corporation or under the hand of its attorney or an equivalent document evidencing the appointment will be required.
- The certificate or equivalent document must be produced prior to the Meeting.

FORWARD LOOKING STATEMENTS

This Notice of Meeting, including the Explanatory Memorandum, may contain certain forward looking statements. Forward looking statements are based on the Company's current expectations about future events. Any forward looking statements are subject to known and unknown risks, uncertainties and assumptions, some of which may be out of the control of the Company and the Directors, which may cause actual results, performance or achievements to differ from future results, performance or achievements expressed or implied by the use of forward looking statements.

Forward looking statements can be identified by the use of words including, but not limited to, 'anticipates', 'intends', 'will', 'should', 'expects', 'plans' or other similar words.

WEBCENTRAL LIMITED **ACN 073 716 793** **EXPLANATORY MEMORANDUM**

11. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's Annual Report be adopted. The Remuneration Report is set out in the Company's Annual Report and is also available on the Company's website.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

The Remuneration Report for the financial year ended 30 June 2020 did not receive a vote of more than 25% against its adoption at the Company's last annual general meeting. Accordingly, if at least 25% of the votes cast on Resolution 1 are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity-based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

12. RESOLUTION 2 – ELECTION OF DIRECTOR – MR JASON ASHTON

12.1 General

Rule 9.9 of the Constitution requires that a director appointed by the Board holds office until the conclusion of the next annual general meeting of the Company but is eligible for election at that meeting. Mr Ashton was appointed as a director by the Board effective from 24 November 2021. Resolution 2 is for the re-election of Mr Jason Ashton in accordance with rule 9.9 of the Constitution and ASX Listing Rule 14.4.

12.2 Qualifications

Mr Ashton has more than 25 years' experience in the Internet and Telecommunications industries. Jason was co-founder (1993) and Managing Director of business ISP Magna Data which was acquired in 1999. Jason was also co-founder (2002) of ASX listed BigAir Group Limited and was its Chief Executive Officer from 2006 until its acquisition by Superloop Limited in 2016 (ASX:SLC). Jason Ashton served as an Executive Director at Superloop from 2016 to 2018. Jason Ashton also served as a Non-Executive Director of 5G Networks Limited from September 2019 until its merger with Webcentral in November 2021.

12.3 Independence

The Board considers that Jason Ashton is an Independent Director on the basis that he is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than those of an individual security holder or other party. This is the definition of "independent director" in the *Governance Principles and Recommendations 4th Edition February 2019* published by the ASX Corporate Governance Council. In reaching this conclusion the Board has had regard to the factors relevant to assessing the independence of a director set out in Recommendation 2.3 of the *Governance Principles and Recommendations 4th Edition February 2019*.

Recommendation 2.4 of the *Governance Principles and Recommendations 4th Edition February 2019* provides that a majority of the board of a listed entity should comprise of independent directors. Maintaining a majority of independent directors maximises the likelihood that the decisions of the board will reflect the best interests of the entity as a whole. The Board considers that 3 of the 4 Directors of the Company are independent directors (including Jason Ashton).

12.4 Board recommendation

The Directors, with Jason Ashton abstaining, support the re-election of Jason Ashton and recommend Shareholders vote in favour of Resolution 2 and are not aware of any additional information that would be considered material to Shareholder's decision to re-elect Jason Ashton as a Director.

13. RESOLUTION 3 – ELECTION OF DIRECTOR – MR JOE GANGI

13.1 General

Rule 9.3 of the Company's Constitution requires that one third (or the number of Directors nearest to one third) of the Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. In determining the number of Directors to retire, a Director appointed

by the board, or a Managing Director, is not taken into account. A Director who retires by rotation under the Constitution is eligible for re-election.

13.2 Qualifications

Mr Gangi has over 30 years' experience in corporate management and governance and has been an independent director of 5GN since the company's inception and initial IPO. He is a member of the RMIT University, Engineering Faculty, Industry Advisory Committee and is an active advisor to several private sector boards. He also provides strategic planning and consulting services to the Local Government sector. His expertise lies in business management and leadership with a focus on business sustainability, growth and development, strategic and client relationship management and risk management. Joe's business management skills are underpinned by the management of several business units across the Asia Pacific region in the professional engineering services sector while his technical experience is demonstrated by the successful delivery of several industrial manufacturing projects.

13.3 Independence

The Board considers that Joe Gangi is an Independent Director on the basis that he is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than those of an individual security holder or other party. This is the definition of "independent director" in the *Governance Principles and Recommendations 4th Edition February 2019* published by the ASX Corporate Governance Council. In reaching this conclusion the Board has had regard to the factors relevant to assessing the independence of a director set out in Recommendation 2.3 of the *Governance Principles and Recommendations 4th Edition February 2019*.

Recommendation 2.4 of the *Governance Principles and Recommendations 4th Edition February 2019* provides that a majority of the board of a listed entity should comprise of independent directors. Maintaining a majority of independent directors maximises the likelihood that the decisions of the board will reflect the best interests of the entity as a whole. The Board considers that 3 of the 4 Directors of the Company are independent directors (including Joe Gangi).

13.4 Board recommendation

The Directors, with Joe Gangi abstaining, support the re-election of Joe Gangi and recommend Shareholders vote in favour of Resolution 3 and are not aware of any additional information that would be considered material to Shareholder's decision to re-elect Joe Gangi as a Director.

14. RESOLUTION 4 – REDUCTION OF CAPITAL

14.1 Background

As a result of the expected implementation of the 5G Networks Limited (ASX:5GN) (**5GN**) scheme of arrangement on 23 November 2021 (**Scheme**),

5GN will become a wholly owned subsidiary of the Company. 5GN and its subsidiary 5G Network Operations Pty Ltd collectively hold 69,524,461 shares in the Company. Under section 259D of the Corporations Act, if a company obtains control of an entity that holds shares in the company then, within 12 months after that occurs, the entity must cease to hold the shares in that entity.

14.2 Corporations Act

Under section 256B of the Corporations Act, a company may reduce its share capital in a way that is not otherwise authorised if the reduction is fair and reasonable to the Company's shareholders as a whole.

Pursuant to section 256C of the Corporations Act, a company may make a selective capital reduction if it is approved by a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced.

The Corporations Act provides that the rules relating to a reduction of share capital are designed to protect the interests of shareholders and creditors by:

- (a) addressing the risk of the transaction leading to the Company's insolvency;
- (b) seeking to ensure fairness between the shareholders of the Company; and
- (c) requiring the Company to disclose all material information.

In particular, Section 256B of the Corporations Act requires that a company may only reduce its capital if:

- (a) it is fair and reasonable to the shareholders as a whole;
- (b) it does not materially prejudice the company's ability to pay its creditors; and
- (c) is approved by shareholders in accordance with section 256C of the Corporations Act.

Section 256C(4) of the Corporations Act requires that the Company must include with the Notice a statement setting out all information known to the Company that is material to the decision on how to vote on the resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to shareholders.

The Directors believe that the selective capital reduction as proposed is fair and reasonable to Shareholders for the following reasons:

- (a) the selective capital reduction will only result in the cancellation of Shares issued to 5GN;

- (b) the selective capital reduction will not materially prejudice the Company's ability to pay its creditors and will have no financial effect on the Company; and
- (c) the financial effect on cash reserves of the selective capital reduction on the Company will be nil as no consideration is being provided for the selective capital reduction.

The Directors do not consider that there are any material disadvantages to the Company undertaking the selective capital reduction.

Pursuant to Section 256C(2) of the Corporations Act, a selective reduction of capital must be approved by either:

- (a) a special resolution passed at a general meeting of the Company, with no votes being cast in favour of the resolution by any person who is to receive consideration as part of the reduction or whose liability to pay amounts unpaid on shares is to be reduced, or by their associates; or
- (b) a resolution agreed to, at a general meeting by all Shareholders.

In addition, section 256C(2) provides that if the reduction involves the cancellation of shares, the reduction must also be approved by a special resolution passed at a meeting of the shareholders whose shares are to be cancelled. In lieu of this requirement, 5GN and 5G Network Operations Pty Ltd have provided their written approval to the Company for the cancellation of its shares and has agreed to waive any applicable notice period.

14.3 Financial effect of the proposed selective reduction of capital on the Company

The proposed selective reduction of capital will have no material effect on the company's financial position. The only costs to be incurred by the Company are those incurred in seeking these approvals.

14.4 Capital structure before and after proposed selective reduction of capital

The Company's existing capital structure is set out below:

Type of security	Number on issue
Webcentral Shares (post issue of Shares under the Scheme)	401,812,925
Webcentral Performance Rights	5,000,000
Webcentral Options	11,225,000

The Company's capital structure upon completion of the proposed selective reduction of capital is set out below:

Type of security	Number on issue
Webcentral Shares (post issue of Shares under the Scheme and post the selective reduction of capital pursuant to this Resolution)	332,288,464
Webcentral Performance Rights	5,000,000
Webcentral Options	11,225,000

14.5 Other material information

There is no information material to the making of a decision by a Shareholder whether or not to approve this Resolution being information that is known to any of the Directors, and which has not been previously disclosed to Shareholders, other than as disclosed in this Explanatory Statement.

Once this Resolution is passed by Shareholders, the Company will not make the reduction of capital until at least 14 days after lodgement of this Resolution with ASIC.

14.6 Directors' recommendation

The Directors unanimously support the proposed selective reduction of capital and recommend that Shareholders vote in favour of Resolution 4.

15. RESOLUTION 5 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

15.1 Introduction

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined and explained below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of equity securities (defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000 (**Eligible Entity**).

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and as at the time the approval is sought is expected to have a market capitalisation of approximately \$165 million.

An equity security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or any security that ASX decides to classify as an equity security.

Any equity securities 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, the Company has only one class of quoted equity securities being the Shares (ASX:WCG) and the number of Shares that the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (detailed below) should the Shareholders approve this Resolution.

Note that Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the meeting must be in favour of the resolution for it to be passed.

15.2 The number of Shares to be issued

The Number of Shares that the Company may issue under the 10% Placement Capacity will be calculated according to the following formula:

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

A: is the number of Shares on issue 12 months before the date of the issue or agreement,

- Plus, the number of fully paid Shares issued in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- Plus, the number of fully paid Shares issued in the relevant period 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 commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
- Plus, the number of fully paid Shares issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or

- the agreement or issue was approved, or taken under these rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
- Plus, the number of any other fully paid Shares issued in the relevant period with approval under ASX Listing Rule 7.1 and 7.4;
- Plus, the number of partly paid Shares that became fully paid in the relevant period; and
- Less the number of fully paid Shares cancelled in the relevant period.

D: is 10%.

E: is the number of Equity Security issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of Shares under ASX Listing Rule 7.4.

By applying the above formula, the number of Shares that may be issued under the 10% Placement Capacity is 32,728,846. This calculation includes an estimated 241,322,246 new Webcentral shares to be issued following implementation of the scheme of arrangement with 5G Networks Limited on 23 November 2021 and the cancellation of 69,524,461 shares held by 5G Networks Limited and 5G Network Operations Pty Ltd pursuant to the proposed reduction of capital in resolution 4.

15.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 5:

Minimum Price

The minimum price at which the Shares will be issued will be no less than 75% of the volume weighted average market price for the Shares, calculated over the 15 trading days on which trades were recorded immediately before:

- the date on which the price at which the securities are to be issued was agreed by the entity and the recipient of the securities; or
- if the securities are not issued within 10 days of that date, the date on which the securities were issued.

Risk of economic and voting dilution

Any issue of Shares under the 10% Placement Capacity will dilute the interest of the Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by the Shareholders and the Company issues the maximum number of Shares available under the 10% Placement Capacity, the

economic and voting dilution of existing Shares would be shown in the table below.

The table below shows the dilution of existing Shares calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, based on the market price of Shares as at 9 November 2021 and the estimated number of Shares on issue as at the date of the Annual General Meeting.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A2)	Dilution			
	Issue Price / Share	\$0.245	\$0.49	\$0.735
		(50% decrease in Issue Price)	Issue Price	(50% increase in Issue Price)
332,288,464	Shares issued – 10% voting dilution	33,228,846	33,228,846	33,228,846
(Current Variable A*)	Funds raised	\$8,141,067	\$16,282,135	\$24,423,202
498,432,696	Shares issued – 10% voting dilution	49,843,269	49,843,269	49,843,269
(50% increase in Variable A)	Funds raised	\$12,211,601	\$24,423,202	\$36,634,803
664,576,928	Shares issued – 10% voting dilution	66,457,692	66,457,692	66,457,692
(100% increase in Current Variable A)	Funds raised	\$16,282,135	\$32,564,269	\$48,846,404

* The number of Shares on issue (Variable A) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under ASX Listing Rule 7.1.

The above table assumes:

- There are 332,288,464 Shares on issue, consisting of 160,490,679 Shares on issue as at 15 November 2021, 241,322,246 new Shares to be issued pursuant to the scheme of arrangement with 5G Networks Limited and the cancellation of 69,524,461 shares held by 5G Networks Limited and 5G Network Operations Pty Ltd pursuant to Resolution 4. This number excludes any Shares that may be issued pursuant to resolutions being put to members in accordance with this Notice.
- The Company issues the maximum possible number of Shares under the 10% Placement Capacity.
- The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

- This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
- 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%.

Shareholders should also note that there are risks that:

- (a) the market price of the Company's Shares may be significantly lower on the issue date than on the date of the approval obtained under ASX Listing Rule 7.1A; and
- (b) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

Date of Issue

The Shares may be issued under the 10% Placement Capacity in the period commencing on the date of the approval obtained under ASX Listing Rule 7.1A and expiring on the first to occur of the following:

- (c) 12 months after the date of this General Meeting at which approval is obtained;
- (d) the time and date of the entity's next annual general meeting; and
- (e) the time and date of approval by Shareholders of any transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of the company's activities) or 11.2 (disposal of the company's major undertaking) (**10% Placement Capacity Period**).

Purpose of Issue under the 10% Placement Capacity

The Company may issue Shares under the 10% Placement Capacity to raise cash for acquisitions of new assets and investments (including expenses associated with such acquisitions), and for general working capital of the Company.

The Company will comply with its disclosure obligations under ASX Listing Rule 7.1A.4 and 3.10.3 in relation to an issue of any equity securities.

Allocation policy under the 10% Placement Capacity

The recipients of the Shares to be issued under the 10% Placement Capacity have not been determined. However, the recipients of Shares could consist of current Shareholders, or new investors (or all of them). None of them will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, by having regard to:

- a) the purpose of the issue;

- b) alternative methods for raising funds available to the Company at that time, including, but not limited to an entitlement issue or other offer where existing Shareholders may participate;
- c) the effect of the issue of the Shares on the control of the Company;
- d) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- e) prevailing market conditions; and
- f) advice from legal, corporate, financial and broking advisers (if applicable).

Prior issues of securities under ASX Listing Rule 7.1A

The Company has not issued any securities under listing rule 7.1A.2 in the 12 month period prior to the date of the Annual General Meeting

15.4 Technical information required by ASX Listing Rule 14.1A

If Shareholders approve Resolution 5, the number of equity securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out above in this Resolution 5).

If Resolution 5 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval as provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

15.5 Board recommendation

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution 5.

16. RESOLUTIONS 6 TO 8 – ISSUE OF DIRECTOR OPTIONS TO JOE GANGI, NATALIE MACTIER AND JASON ASHTON

16.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 1,500,000 Director Options under the Company's ESOP (**Director Options**) to each of Mr Joe Gangi, Mr Jason Ashton and Ms Natalie Mactier or their nominees.

16.2 ASX Listing Rule 10.14 and section 208 of the Corporations Act

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.

Section 208 of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act. One of the exceptions is where the benefit constitutes reasonable remuneration as an officer or employee of the company.

The grant of the Director Options constitutes giving a financial benefit and Mr Gangi, Mr Ashton and Ms Mactier are related parties of the Company by virtue of being Directors.

The Company's Nomination and Remuneration Committee has reviewed the fees to be paid to the non-executive directors of the Company and has as part of that review recommended the issue of the Director Options as being reasonable remuneration having regard to the responsibilities involved in the office and the functions to be performed by them.

16.3 Technical information required by Chapter 2E of the Corporations Act, ASX Listing Rules 10.14 and 10.15 and other information

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rules 10.14 and 10.15, and in the interests of providing shareholders with other information regarded by the Directors as being good practice the following information is provided in relation to the proposed issue of Director Options:

Chapter 2E of the Corporations Act

- (a) the Director Options are to be issued as remuneration to related parties of the Company, being Mr Gangi, Mr Ashton and Ms Mactier or their nominees; and
- (b) the issue of the Director Options is reasonable because the exercise price of the Director Options being \$0.45 is not at a substantial discount to the current trading price of Shares in the Company and vesting is contingent on them remaining in office for at least 2 years.

Listing Rules 10.14 and 10.15

- (c) each of Mr Gangi, Mr Ashton and Ms Mactier are directors of the Company and therefore fall in the category specified in ASX Listing Rule 10.14.1 and their nominees fall in the category specified in ASX Listing Rule 10.14.2;

- (d) the number of Director Options to be issued to Mr Gangi, Mr Ashton and Ms Mactier or their nominees is:
 - (i) 1,500,000 Director Options to Mr Gangi (or his nominee);
 - (ii) 1,500,000 Director Options to Ms Mactier (or her nominee); and
 - (iii) 1,500,000 Director Options to Mr Ashton (or his nominee).
- (e) Mr Gangi currently receives a remuneration package of \$110,000 per annum in respect of his role as Chairman and a non-executive Director of the Company, Ms Mactier currently receives a remuneration package of \$90,000 per annum in respect of her role as a non-executive Director of the Company, and Mr Ashton currently receives a remuneration package of \$90,000 in respect of his role as a non-executive Director of the Company;
- (f) the Director Options are not fully paid ordinary securities. A summary of the terms of the Director Options is included in Schedule 1;
- (g) the Director Options will be issued to Mr Gangi, Mr Ashton and Ms Mactier or their nominees no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that all of the Director Options will be issued on the same date;
- (h) the Director Options will be granted for nil cash consideration however each of Mr Gangi, Mr Ashton and Ms Mactier or their nominees will be required to pay the exercise price of \$0.45 per Director Option in order to acquire Shares upon exercise of the Director Options. Accordingly, no funds will be raised from the issue of the Director Options;
- (i) the Director Options will be subject to a vesting condition which requires that Mr Gangi, Mr Ashton or Ms Mactier remain in office for at least 2 years before the Options vest and can be exercised;
- (j) the Director Options will be issued under the ESOP;
- (k) no loan will be provided to the Mr Gangi, Mr Ashton or Ms Mactier in relation to the acquisition of the Director Options;
- (l) the Director Options to be issued to Mr Joe Gangi, Mr Ashton and Ms Natalie Mactier or their nominees pursuant to Resolutions 6, 7 and 8 have been valued by the Company as set out in Schedule 4;
- (m) the material terms of the ESOP are set out in Schedule 5;
- (n) details of any securities issued under the ESOP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that the approval for the respective issue was obtained under ASX Listing Rule 10.14; and

- (o) any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the ESOP after this Resolution is approved and who were not named in this Notice will not participate in the ESOP until approval is obtained under that rule.

Other information

- (p) the relevant interests of Mr Gangi, Mr Ashton and Ms Mactier in securities of the Company as at the date of this Notice is set out below:

Related party	Securities
Mr Joe Gangi	6,744,940 shares 1,000,000 options
Ms Natalie Mactier	1,000,000 options
Mr Jason Ashton	4,967,147 shares

- (q) if all of the Director Options granted to Mr Gangi, Mr Ashton and Ms Mactier or their nominees are exercised, a total of 4,500,000 Shares would be issued. This would increase the number of Shares on issue from 332,288,464 to 336,788,464 (assuming that no other Shares were issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of approximately 1.4%;
- (r) the market price for Shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time any of the Director Options are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company;
- (s) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Date	Price
Highest	16 April 2021	\$0.73
Lowest	16 November 2020	\$0.26
Last	15 November 2021	\$0.49

16.4 Technical information required by ASX Listing Rule 14.1A

If Resolutions 6 to 8 are passed, the Company will be able to issue the Director Options to Joe Gangi, Jason Ashton and Natalie Mactier.

If Resolutions 6 to 8 are not passed the Company will not be able to issue the Director Options to Joe Gangi, Jason Ashton and Natalie Mactier and will consider other alternative appropriate remuneration.

16.5 ASX Listing Rules 7.1 and 7.2

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to Mr Gangi, Mr Ashton and Ms Mactier as approval is being obtained under ASX Listing Rule 10.14 (Exception 13 under ASX Listing Rule 7.2). Accordingly, the issue of Director Options to Mr Gangi, Mr Ashton and Ms Mactier will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

16.6 Board recommendations

- (a) Mr Joe Demase (a Director of the Company) recommends that Shareholders vote in favour of Resolutions 6, 7 and 8 for the following reasons:
 - (i) the grant of the Director Options to Mr Gangi, Mr Ashton and Ms Mactier or their nominees will align the interests of Mr Gangi, Mr Ashton and Ms Mactier with those of Shareholders;
 - (ii) the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Gangi, Mr Ashton and Ms Mactier; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed;
- (b) Mr Gangi declines to make a recommendation to Shareholders in relation to Resolution 6 due to his material personal interest in the outcome of Resolution 6 on the basis that Mr Gangi is to be granted Director Options should Resolution 6 be passed. However, in respect to Resolutions 7 and 8, Mr Gangi recommends that Shareholders vote in favour of Resolutions 7 and 8 for the reasons set out in paragraph ((a));
- (c) Ms Mactier declines to make a recommendation to Shareholders in relation to Resolution 7 due to her material personal interest in the outcome of Resolution 7 on the basis that Ms Mactier is to be granted

Director Options should Resolution 7 be passed. However, in respect to Resolutions 6 and 8, Ms Mactier recommends that Shareholders vote in favour of Resolutions 6 and 8 for the reasons set out in paragraph ((a));

- (d) Mr Ashton declines to make a recommendation to Shareholders in relation to Resolution 8 due to his material personal interest in the outcome of Resolution 8 on the basis that Mr Ashton is to be granted Director Options should Resolution 8 be passed. However, in respect to Resolutions 6 and 7, Mr Ashton recommends that Shareholders vote in favour of Resolutions 6 and 7 for the reasons set out in paragraph ((a));
- (e) in forming their recommendations, each Director considered the experience of each of Mr Gangi, Mr Ashton and Ms Mactier, the current market price of the Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise price and expiry date of those Director Options; and
- (f) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 6, 7 and 8.

17. RESOLUTION 9 – ISSUE OF PERFORMANCE RIGHTS

17.1 Introduction

The Company proposes, subject to obtaining Shareholder approval, to issue a total of 15,000,000 performance rights to J D Management Group Pty Ltd (an entity controlled by Mr Joe Demase, a director of the Company) (**Performance Rights**) on the terms as set out in in this Notice and Explanatory Statement.

The objective of the issue of the Performance Rights and of this Resolution 9 is to provide Mr Demase with a mechanism to participate in the development of the Company and an incentive for his involvement with, and commitment to, the Company.

The Performance Rights will not vest unless and until the Company is included in the S&P ASX 300 Index or an equivalent index approved by the Board if the S&P ASX 300 Index is no longer in operation.

17.2 Section 208 of the Corporations Act

Section 208 of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act. One of the exceptions is where the benefit constitutes reasonable remuneration as an officer or employee of the company.

The grant of the Performance Rights constitutes giving a financial benefit and J D Management Pty Ltd (an entity controlled by Mr Demase) is a related party of the Company by virtue of Mr Demase being a Director of the Company.

The Company's Nomination and Remuneration Committee reviewed the fees to be paid to Mr Demase in regard to his role as Managing Director and has as part of that review recommended the issue of the Performance Rights as being reasonable remuneration having regard to the responsibilities involved in the office and the functions to be performed by Mr Demase, and the objectives set out in the Charter of the Human Resources Remuneration and Nomination Committee.

17.3 Technical information required by Chapter 2E of the Corporations Act, ASX Listing Rules 10.11 and 10.13 and other information

ASX Listing Rule 10.11 provides that, subject to certain exceptions (none of which are relevant here), shareholder approval must be obtained where an entity issues equity securities to a related party.

J D Management Group Pty Ltd is a related party of the Company by virtue of Mr Demase (the sole director and shareholder of J D Management Group Pty Ltd) being a Director of the Company. Performance Rights qualify as equity securities as they will entitle J D Management Group Pty Ltd to acquire Shares in the Company.

Pursuant to and in accordance with the requirements of section 219 of the Corporations Act and ASX Listing Rule 10.13, and in the interests of providing shareholders with other information regarded by the Directors as being good practice the following information is provided in relation to the proposed issue of Performance Rights:

Chapter 2E of the Corporations Act

- (a) the Performance Rights are to be issued as remuneration to a related party of the Company, being Mr Demase (through his entity J D Management Group Pty Ltd); and
- (b) the issue of the Performance Rights is reasonable because the exercise price of the Performance Rights being \$0.45 is not at a substantial discount to the current trading price of shares in the Company and vesting is contingent on the Company being included in the S&P ASX 300 index.

Listing Rules 10.11 and 10.13

- (c) the Performance Rights are to be issued to a related party of the Company, being J D Management Group Pty Ltd (an entity controlled by Mr Demase, a director of the Company);

- (d) Mr Demase is a Director of the Company and therefore J D Management Group Pty Ltd falls in the category outlined in ASX Listing Rule 10.11.1;
- (e) Mr Demase currently receives a remuneration package of \$300,000 per annum (plus compulsory superannuation contributions) in respect of his role as Managing Director of the Company;
- (f) the maximum number of Performance Rights to be issued to J D Management Group Pty Ltd is 15,000,000;
- (g) the Performance Rights are not fully paid ordinary securities. A summary of the terms of the Performance Rights is included in this Explanatory Memorandum. Additional terms and conditions of the Performance Rights are set out in Schedule 2;
- (h) the Performance Rights will be issued to J D Management Group no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that the Performance Rights will be issued on one date;
- (i) the Performance Rights will be granted for nil cash consideration however J D Management Group Pty Ltd will be required to pay the exercise price of \$0.45 per Performance Right upon exercise of the Performance Rights. Accordingly, no funds will be raised from the issue of the Performance Rights
- (j) the Performance Rights to be issued to J D Management Group Pty Ltd pursuant to Resolution 9 have been valued by the Company as set out in Schedule 4. Relevant inputs for the valuation are current market capitalisation of the Company (assuming a share price of \$0.50 post the 5GN merger) of approximately \$165M, current S&P/ASX 300 Index cut off of approximately \$600M to \$700M and the directors' estimate of the likelihood of admission to the S&P/ASX 300 Index during the 5-year term of the Performance Rights at 25%; and
- (k) the Performance Rights will be subject to a vesting condition of the Company being included in the S&P ASX 300 index. Until the vesting condition is satisfied the Performance Rights cannot be exercised.

Other information

- (l) the relevant interests of J D Management Group Pty Ltd in securities of the Company as at the date of this Notice is set out below:

Related party	Securities
J D Management Group Pty Ltd / Mr Joe Demase	48,725,198 Shares

- (m) if the Performance Rights granted to J D Management Group Pty Ltd are exercised, a total of 15,000,000 Shares would be issued. This will increase the number of Shares on issue from 332,288,464 to 347,288,464 (assuming that no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by approximately 4.5%;
- (n) the market price for Shares during the term of the Performance Rights would normally determine whether or not the Performance Rights are exercised. If, at any time any of the Performance Rights are exercised and the Shares are trading on ASX at a price that is higher than the exercise price of the Performance Rights, there may be a perceived cost to the Company;
- (o) the primary purpose of the grant of Performance Rights to J D Management Group Pty Ltd (Mr Demase) is to provide a performance linked incentive component in the remuneration package for Mr Demase to mitigate and reward the performance of Mr Demase in his respective role as Managing Director, as well as a cost effective form of remuneration for his ongoing commitment and contribution to the Company and to align his interests with those of the Shareholders;

17.4 ASX Listing Rules 7.1 and 7.2

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Performance Rights to J D Management Group Pty Ltd as approval is being obtained under ASX Listing Rule 10.11 (Exception 14 under ASX Listing Rule 7.2). Accordingly, the issue of Performance Rights to J D Management Group Pty Ltd will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

17.5 Technical information required by ASX Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to issue the Performance Rights to J D Management Group Pty Ltd.

If Resolution 9 is not passed, the Company will not be able to issue the Performance Rights to J D Management Group Pty Ltd and will consider other alternative appropriate remuneration.

17.6 Board recommendations

- (a) Mr Joe Gangi (Director of the Company) recommends that Shareholders vote in favour of Resolution 9 for the following reasons:
 - (i) the grant of the Performance Rights to J D Management Group Pty Ltd (Mr Demase) will align the interests of Mr Demase with those of Shareholders;
 - (ii) the grant of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its

operations than it would if alternative cash forms of remuneration were given to Mr Demase; and

- (iii) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights upon the terms proposed.
- (b) Ms Natalie Mactier (Director the Company) recommends that Shareholders vote in favour of Resolution 9 for the reasons set out above;
- (c) Mr Jason Ashton (Director the Company) recommends that Shareholders vote in favour of Resolution 9 for the reasons set out above;
- (d) Mr Demase declines to make a recommendation to Shareholders in relation to Resolution 9 due to his material personal interest in the outcome of the Resolution on the basis that Mr Demase's entity, J D Management Group Pty Ltd, is to be granted Performance Rights should Resolution 9 be passed;
- (e) in forming their recommendations, each Director considered the experience of Mr Demase, the current market price of the Shares, the current market practices when determining the number of Performance Rights to be granted as well as the exercise price and expiry date of those Performance Rights; and
- (f) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 9.

18. RESOLUTION 10 – AMENDMENT OF CONSTITUTION

18.1 Background

Resolution 10 proposes to amend the Constitution to account for changes to the ASX Listing Rules relating to restricted securities which commenced on 1 December 2019, as well anticipated developments in law and general corporate practice for ASX-listed companies around the use of virtual meeting technology to host meetings of Shareholders.

18.2 Restricted securities

Changes to the ASX Listing Rules which commenced on 1 December 2019 pursuant to which listed entities are required to update their constitution to allow for certain provisions regarding Restricted Securities if the entity has any Restricted Securities on issue. Although the Company does not presently have any Restricted Securities on issue and does not have any present or pending intention to undertake a transaction which would result in the issue of Restricted Securities, the Board considers it prudent to take this opportunity to update the Company's constitution to provide the Company with the flexibility to issue Restricted Securities in future transactions.

As of 1 December 2019, ASX implemented a two-tier escrow regime to the implementation of escrow restrictions:

- (a) in respect of more significant holders of Restricted Securities and their controllers, the ASX may require such holders to execute a formal escrow agreement in the form of Appendix 9A of the ASX Listing Rules (as is currently the case); and
- (b) in the respect of less significant holders, the ASX may permit such holders to rely on provisions in the constitution imposing appropriate escrow restrictions on the holders of Restricted Securities and the Company may simply give notice to the holders Restricted Securities (in the form to be set out in a new Appendix 9C to the ASX Listing Rules) advising them on those restrictions.

To allow for the operation of the new two-tier escrow regime, the Company is proposing to update its Constitution regarding Restricted Securities under this Resolution 10.

18.3 Virtual meetings

As at the date of this Explanatory Statement, the *Corporations Amendment (Meetings and Documents) Bill 2021 (Bill)* is before parliament which, among other things, proposes to allow for meetings of members to be held physically, as a hybrid or, *if expressly permitted by the entities constitution*, virtually (provided that members, as a whole, are given a reasonable opportunity to participate in the meeting).

The Company's current Constitution does not currently permit the holding of wholly virtual meetings of Shareholders. If passed, the Bill will make permanent various temporary measures on which Australian companies have relied to conduct business and carry on good governance during the COVID-19 pandemic, including the temporary virtual meeting provisions in the Corporations Act on which the Company is currently relying to conduct this Meeting virtually.

While the Bill does not yet have force of law, the Company would like to proactively amend its Constitution to ensure that, as and when the Bill does come into force, the Company will be entitled to immediately take advantage of the increased flexibility and accessibility the virtual meetings provisions offer in respect of Shareholder's meetings.

The amendment proposed under Resolution 10 introduces a new article into the existing Constitution that:

- (a) allows the Company to hold a meeting of Shareholders using or with the assistance of any virtual meeting technology that gives Shareholders, as a whole, a reasonable opportunity to participate;
- (b) allows the Directors to prescribe regulations, rules and procedures in relation to the manner in which virtual meetings are to be conducted and communicate such matters to members by notice to ASX; and

- (c) address and manage technical difficulties that arise during the course of virtual meetings

The Directors believe the proposed amendment is an important step in ensuring the Company's Shareholders can continue to exercise their rights to participate in and vote at meetings with minimal disruptions in the event of future movement and gathering restrictions caused by the COVID-19 pandemic or otherwise.

18.4 Regulatory requirements for changing a constitution

Section 136(2) of the *Corporations Act 2001* (Cth) provides that a company may modify its constitution if the company passes a special resolution. A special resolution must be passed by at least 75% of the votes cast by members entitled to vote on the resolution.

Resolution 10 is proposed as a special resolution and will be passed if at least 75% of the votes cast by Shareholders entitled to vote are in favour of Resolution 10.

If Resolution 10 is passed by the requisite majority the Constitution will be amended to insert the new rules 7.3 and 20.3 (as set out in Schedule 3) as new provisions of the existing constitution of the Company. The modified Constitution is available at <https://www.webcentral.com.au/corporate/governance/> or may be inspected by any shareholder at the Company's registered office.

18.5 Board recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10.

19. GLOSSARY

5GN	5G Networks Limited (ACN 163 312 025) (ASX:5GN)
Annual General Meeting	The annual general meeting of the Company to be held on Tuesday 21 December 2021
Annual Financial Statements	The Company's financial reports for the 18 months ended 30 June 2021
Annual Report	The comprehensive report on the Company's position and activities throughout the preceding year
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ACN 008 624 691) or, where the context requires, the Australian Securities Exchange operated by ASX Limited
ASX Listing Rules or Listing Rules	The official listing rules of ASX, as amended or waived from time to time
Board	Board of Directors of the Company and, where applicable, includes a committee of the Directors.
Closely Related Party	Has the meaning given to it in section 9 of the Corporations Act
Company, Webcentral or WCG	Webcentral Limited ACN 073 716 793
Constitution	The constitution of the Company (as amended from time to time)
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Controlled Entities	Any of the subsidiaries of the Company
Director	A director of the Company
Director Options	Has the meaning given to it in section 16
Directors' Report	The report produced by the Board in relation to the Company's activities for the 18 months ended 30 June 2021
Eligible Entity	Has the meaning given to it in section 15.1

Executive and Director Share Option Plan or ESOP	The Company's executive and director share option plan for the time being
Explanatory Memorandum	The explanatory memorandum which is attached to or accompanies, and is incorporated as part of, the Notice of Meeting and includes any schedule or document annexed to it or incorporated by reference
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
Notice or Notice of Meeting	The Notice of Annual General Meeting of Shareholders to which the Explanatory Memorandum is attached or otherwise accompanies
Performance Rights	Has the meaning given to it in section 17
Prior Issued Securities	Has the meaning given to it in the Explanatory Memorandum
Proxy Form	The proxy form enclosed with this Notice of Meeting
Remuneration Report	The remuneration report within the Director's Report for the 18 months ended 30 June 2021
Resolution	A resolution referred to in the Notice of Meeting
Restricted Security	Has the meaning given to it in Chapter 19 of the ASX Listing Rules
Share	A fully paid ordinary share in the Company
Shareholder	A person who holds Shares in the Company

SCHEDULE 1

TERMS AND CONDITIONS OF DIRECTOR OPTIONS

The terms and conditions of the Director Options are set out in the ESOP, as supplemented by the following terms and conditions.

2. Exercise Price

The amount payable upon exercise of each Option will be \$0.45 (**Exercise Price**).

3. Expiry Date

Each Option will expire at 5:00 pm (AEST) on the date that is five years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. Vesting Condition and Exercise Period

Vesting of the Options will be conditional on the Option holders remaining in office for at least two years (**Vesting Condition**).

Once the Vesting Condition is satisfied, the Options can be exercised at any time prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

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

6. Exercise Date

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

7. Timing of issue of Shares on exercise

Within 15 business days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (c) if admitted to the official list of ASX at the time, apply for official quotation of the Shares issued upon the exercise of Options.

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

8. Shares issued on exercise

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

9. Reconstruction of capital

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

10. Participation in new issues

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

11. Change in exercise price

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

SCHEDULE 2

TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

1. Exercise Price

The amount payable upon exercise of each Performance Right will be \$0.45 (**Exercise Price**).

2. Expiry Date

Each Performance Right will expire at 5:00 pm (AEST) on the date that is five years from the date of issue (**Expiry Date**). A Performance Right which has not vested and been exercised before the Expiry Date will automatically lapse on the Expiry Date.

3. Vesting Condition and Exercise Period

The Performance Rights vest when the Company is included in the S&P ASX 300 Index or an equivalent index approved by the Board if the S&P ASX 300 Index is no longer in operation. (**Vesting Condition**). Once the Vesting Condition is satisfied, the Performance Rights can be exercised at any time prior to the Expiry Date (**Exercise Period**).

4. Notice of Exercise

The Performance Rights may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Performance Right certificate (**Notice of Exercise**) and payment of the Exercise Price for each Performance Right being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

5. Exercise Date

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

6. Timing of issue of Shares on exercise

Within 15 business days after the Exercise Date, the Company will:

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

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

- (c) if admitted to the official list of ASX at the time, apply for official quotation of the Shares issued upon exercise of the Performance Rights.

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

7. Shares issued on exercise

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

8. Reconstruction of capital

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

9. Participation in new issues

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

10. Change in exercise price

A Performance Right does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Performance Rights can be exercised.

SCHEDULE 3

AMENDED CONSTITUTION

7.13 **Virtual Meetings**

(a) Notwithstanding anything in this Constitution but subject to applicable law, the Company may hold a meeting of its Members using or with the assistance of any virtual meeting technology that gives Members, as a whole, a reasonable opportunity to participate in the meeting. This may include, but is not limited to, electronic participation facilities or linking separate meeting places together by technology.

(b) If a general meeting is to be held in accordance with rule 7.13(a):

i. the Directors may prescribe regulations, rules and procedures in relation to the manner in which the meeting is to be conducted; and

ii. the Directors may communicate such regulations, rules and procedures (or instructions on how they can be accessed) to Members by notification to ASX.

(c) If, before or during a meeting held in accordance with rule 7.13(a), any technical difficulty occurs which may materially impact the participation of one or more Eligible Members, the chairperson of the meeting may:

i. postpone or adjourn the meeting until the difficulty is remedied; or

ii. continue to hold the meeting and transact business, and no Member may object to the meeting being held or continuing.

(d) In no circumstances shall the inability of one or more Members to access, or to continue to access, an electronic participation facility or facilities affect the validity of a meeting or any business conducted as a meeting, provided that sufficient Members are able to participate in the meeting as a required to constitute a quorum.

(e) Nothing in this document is to be taken to limit the powers conferred on the chairperson of the meeting by law.

20.3 **Restricted Securities**

(a) A holder of Restricted Securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;

(b) If the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the Restricted Securities are to be kept on the entity's issuer sponsored sub-register and are to have a holding lock applied for the duration of the escrow period applicable to those securities;

(c) the entity will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of Restricted Securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;

(d) a holder of Restricted Securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and

(e) if a holder of Restricted Securities breaches a restriction deed or a provision of the entity's constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.

SCHEDULE 4

DIRECTOR OPTIONS AND PERFORMANCE RIGHTS VALUATION AND VALUATION METHODOLOGY

The Director Options and Performance Rights in respect of which approval is sought have been valued using the Black-Scholes Model. These models are generally accepted valuation methodologies for pricing financial instruments, and incorporate all factors and assumptions that knowledgeable, willing market participants would consider in setting the price.

Webcentral Group Limited		Number of	Value per	Total
Share-based Payments	note	securities	security	value
Performance Rights	1	3,750,000	AU\$0.192	AU\$720,000
Director Options				
Joe Gangi		1,500,000	AU\$0.205	AU\$307,500
Jason Ashton		1,500,000	AU\$0.205	AU\$307,500
Natalie Mactier		1,500,000	AU\$0.205	AU\$307,500
Total Director Options		4,500,000		AU\$922,500

Note:

1. Achievement of admission into the S&P/ASX300 Index is considered to be a non-market condition and we have used the "Binomial Option" pricing model in valuing the Performance Rights. We have relied on the directors' best estimate probability of achieving the vesting condition to be 25%. Accordingly, the 15,000,000 Performance Rights to be issued have been adjusted in accordance with the probability factor of 25%.

The key valuation assumption adopted are:

1. Valuation date of 8 November 2021.
2. Spot price of \$0.50 based on the 20- and 30-day VWAP of Webcentral shares as at 8 November 2021.
3. Exercise price of \$0.45.
4. Vesting period of 2 years (not applicable for the Performance Rights as they have a separate vesting condition). Webcentral will also need to make an assessment as to the continuity of employment vesting condition. As this is a "non-market based" vesting condition the probability should be adjusted against the number of options that would vest)
5. Expiry period of 5 years.
6. Stock volatility of 45% based on those ASX listed comparable companies.

7. Risk free rate of 1.265% based on yields as at 8 November 2021 with an estimated 5 year expiry.
8. Dividend yield of 0.0%.
9. Exercise price multiple of 2.0 times based on the exercise price being in the money.

SCHEDULE 5

SUMMARY OF TERMS OF ESOP

The Board has adopted the ESOP to allow eligible participants to be granted Options to acquire Shares in the Company. The principal terms of the ESOP are summarised below.

1. **Eligibility and Grant of Options:** The Board may grant Options to an officer or employee of the Company, or member of the Group, or contractor to the Company or member of the Group selected by the Board (**Eligible Participant**) (**Offer**).
2. **Consideration:** Each Option granted under the ESOP will be granted for nil or no more than nominal cash consideration.
3. **Conversion:** Each Option is exercisable into one Share in the Company ranking equally in all respects with the existing issued Shares in the Company.
4. **Exercise Price and Expiry Date:** The exercise price and expiry date for Options granted under the ESOP will be determined by the Board prior to the grant of the Options.
5. **Exercise Restrictions:** The Options granted under the ESOP may be subject to conditions on exercise as may be fixed by the Directors prior to grant of the Options (**Vesting Conditions**). Any restrictions imposed by the Directors must be set out in the offer for the Options. The Board may waive Vesting Conditions.
6. **Lapsing of Options:** An unexercised Option will lapse:
 - 6.1 on its Expiry Date;
 - 6.2 if any Vesting Condition is unable to be met and is not waived, as determined by the Board; or
 - 6.3 subject to the Board's discretion, where the Eligible Participant ceases to be an Eligible Participant.
7. **Loans:** the Company may provide a loan to fund some or all of the exercise price of Options. The terms of the loan will be determined by the Company and will normally require the loan to be secured over Shares issued on exercise of the Options.
8. **Disposal of Options:** Options will not be transferable except to the extent the ESOP or any offer provides otherwise.
9. **Quotation of Options:** Options will not be quoted on the ASX, except to the extent provided for by the ESOP or unless an offer provides otherwise.
10. **Trigger Events:** Upon certain trigger events, being a change in control of the Company (including by takeover or entry into a scheme of arrangement), the Board may determine that any Option which has not at that time become exercisable or lapsed, becomes exercisable.

11. **Participation in Rights Issues and Bonus Issues:** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
12. **Reorganisation:** The terms upon which Options will be granted will not prevent the Options being re-organised as required by the Listing Rules on the re-organisation of the capital of the Company.
13. **Limit on number of securities:** The Company may not offer Options if as result of acceptance and issue of those Options the number of Options then on issue exceeds 10% of the number of shares on issue at the time of adoption of the ESOP.

The Company may offer Options in circumstances where the ceiling above would be exceeded if the Company first obtains shareholder approval for the offer.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Webcentral Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND*

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm)
and subject to public health orders and restrictions



ALL ENQUIRIES TO

Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am (AEDT) on Sunday, 19 December 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Annual General Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6



X99999999999

PROXY FORM

I/We being a member(s) of Webcentral Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy (an email will be sent to your appointed proxy with details on how to access the virtual meeting)

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (AEDT) on Tuesday, 21 December 2021 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at <https://meetings.linkgroup.com/WCGAGM21> (refer to details in the Notice of Meeting).

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒.

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of Issue of Performance Rights to J D Management Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Mr Jason Ashton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Amendment of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-Election of Director – Mr Joe Gangi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Reduction of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval of Issue of Director Options to Mr Joe Gangi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval of Issue of Director Options to Ms Natalie Mactier	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval of Issue of Director Options to Mr Jason Ashton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

WCG PRX2102N