



21 June 2022

ASX:14D

## DESPATCH OF NOTICE OF MEETING

1414 Degrees Limited (ASX: 14D) (**Company**) advises that it has today despatched to shareholders online access details concerning the Notice of Meeting and Proxy Form in relation to the General Meeting of the Company to be held on Thursday, 28 July 2022 at 10.00am ACST. Hard copies of the Notice of Meeting and Proxy Forms have also been sent to those shareholders who have requested them.

As previously announced to the market on 8 June 2022, the General Meeting was requisitioned by Focem Pty Ltd as trustee of the Towarnie Superannuation Fund (**Focem**) pursuant to section 249D of the *Corporations Act 2001* (Cth).

The General Meeting will be held in person at Rydges Hotel, 1 South Terrace Adelaide SA 5000 and virtually via the following meeting link: <https://meetnow.global/MJRO2HC>. Further details concerning online access to the Notice of Meeting and Proxy Form and participation in the General Meeting can be found in the documents appended to this announcement, which include the Notice of Meeting.

The Company encourages shareholders to carefully review the Notice of Meeting and the associated Explanatory Memorandum and to take the time to consider the resolutions which have been proposed by Focem and their likely effect on the Company.

**As outlined in the Notice of Meeting, the Board strongly encourages all shareholders to vote AGAINST all resolutions contained in the Notice of Meeting.**

The Company thanks shareholders for their ongoing support.

### **AUTHORISED BY:**

The Board of Directors of 1414 Degrees Ltd

+61 8 8357 8273



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## APPENDIX

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**1414 DEGREES LTD**  
ABN 57 138 803 620

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14D

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+61 8 8357 8273



[1414DEGREES.COM.AU](http://1414DEGREES.COM.AU)



1414 DEGREES LIMITED  
ACN 138 803 620

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NOTICE OF GENERAL MEETING

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**NOTICE IS HEREBY GIVEN** that a General Meeting (**Meeting**) of Shareholders of 1414 Degrees Limited will be held as a **hybrid meeting** as follows:

In person: Rydges Hotel, 1 South Terrace, Adelaide SA 5000

Virtual meeting link: <https://meetnow.global/MJRQ2HC>

on **Thursday, 28 July 2022** commencing at **10:00 am** (Adelaide time).

The Explanatory Memorandum and the Proxy Form comprise part of this Notice of General Meeting.

Shareholders are encouraged to participate in the Meeting in person or via the virtual meeting link provided.

**The Directors of 1414 Degrees Limited will be voting all Shares that they hold,  
and recommend that all Shareholders vote:**

**AGAINST all five resolutions in this Notice of General Meeting**

**This is an important document that requires your immediate attention.**

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

Should you wish to discuss the matters in this Notice of General Meeting please contact the Company Secretary via email at [companysecretary@1414degrees.com.au](mailto:companysecretary@1414degrees.com.au).

## NOTICE OF GENERAL MEETING

### Special Business

#### **Resolution 1 — Removal of Mr Dana Larson as a Director**

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

*That Mr Dana Larson be removed as a Director of the Company in accordance with rule 3.10(a)(i) of the Company's Constitution, effective immediately on the passing of this resolution.*

#### **Resolution 2 — Removal of Mr Peter Gan as a Director**

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

*That Mr Peter Gan be removed as a Director of the Company in accordance with rule 3.10(a)(i) of the Company's Constitution, effective immediately on the passing of this resolution.*

#### **Resolution 3 — Removal of Mr Tony Sacre as a Director**

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

*That Mr Tony Sacre be removed as a Director of the Company in accordance with rule 3.10(a)(i) of the Company's Constitution, effective immediately on the passing of this resolution.*

#### **Resolution 4 — Appointment of Mr Ian Ross Burdon as a Director**

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

*That, Mr Ian Ross Burdon, having been nominated by Mr Ian Ross Burdon and Ms Catherine Louise Taylor and consented to act as a Director of the Company in accordance with rule 3.5(a)(iii) of the Company's Constitution and being eligible, be elected as a Director of the Company in accordance with rule 3.4 of the Company's Constitution.*

#### **Resolution 5 — Appointment of Dr Kevin Moriarty as a Director**

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

*That, Dr Kevin Moriarty, having been nominated by Focem Pty Ltd ACN 159 197 341 as trustee for the Towarnie Superannuation Fund and consented to act as a Director of the Company in accordance with rule 3.5(a)(iii) of the Company's Constitution and being eligible, be elected as a Director of the Company in accordance with clause 3.4 of the Company's Constitution.*

By Order of the Board



Tania Sargent  
Company Secretary  
Dated this 21st day of June 2022

## Important Information

### Voting Entitlements

The Company has determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that, for the purposes of ascertaining entitlements to participate in and vote at the Meeting, all Shares in the Company will be taken to be held by those persons who held them as registered holders at 6:30pm (Adelaide time) on Tuesday, 26 July 2022 (**Entitlement Time**).

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

### Resolutions by Poll

Each resolution considered at the Meeting will be conducted by a poll in accordance with the requirements of section 250JA of the Corporations Act.

### Participating in the Meeting

For logistical purposes, if you wish to attend the Meeting in person, please register your intention to do so by emailing the Company Secretary at [companysecretary@1414degrees.com.au](mailto:companysecretary@1414degrees.com.au) at least five business days before the Meeting (being not later than 5pm (Adelaide time) on Thursday, 21 July 2022).

If you elect not to attend the Meeting in person, you will be able to listen to and observe the Meeting, cast an online vote and ask questions both online and orally through the online platform at <https://meetnow.global/MJRQ2HC>.

To participate and vote online, shareholders will need their Shareholder Reference Number (**SRN**) or Holder Identification Number (**HIN**) (which is shown on the front of their holding statement or Proxy Form), and their postcode (or country code if outside Australia). Attorneys and corporate representatives can log in to the online platform using the SRN/HIN of the relevant Shareholder.

### How to Vote

#### Voting in person

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

#### Voting virtually during the Meeting

Shareholders who wish to vote virtually on the day of the Meeting will need to visit <https://meetnow.global/MJRQ2HC> on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Edge or Firefox).

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

#### Voting in advance

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

### Technical Difficulties

Technical difficulties may arise during the course of the Meeting. The Chairman has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chairman will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected.

Where the Chairman considers it appropriate, the Chairman may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to submit a directed proxy in advance of the Meeting in accordance with the instructions below, so that votes can still be counted even if you plan to attend the Meeting online.

## Proxies

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

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

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

In order to be valid, the Proxy form must be received by the Company at the address specified below, along with any power of attorney or certified copy of a power of attorney (if the Proxy Form is signed pursuant to a power of attorney), by no later than 48 hours before the Meeting (i.e., by no later than 10:00am (Adelaide time) on Tuesday, 26 July 2022).

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

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

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

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

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

## Corporate Representative

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

## Asking Questions

Shareholders may submit questions or comments to the Company in relation to any item of business in advance of the Meeting. Questions must be submitted by emailing the Company Secretary at [companysecretary@1414degrees.com.au](mailto:companysecretary@1414degrees.com.au) by 5.00pm (Adelaide time) on Thursday, 21 July 2022.

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

The Chairman will attempt to respond to the questions during the Meeting. The Chairman will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

**Explanatory Memorandum**

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

## EXPLANATORY MEMORANDUM

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### 1. Introduction

#### 1.1 Purpose of Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist Shareholders in considering the resolutions proposed for the General Meeting (**Meeting**) of the Company to be held by on Thursday, 28 July 2022 commencing at 10:00 am (Adelaide time).

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

#### 1.2 Reason for convening the Meeting

The Meeting has been convened by the Directors following receipt of a request from Focem Pty Ltd ACN 159 197 341 as trustee for the Towarnie Superannuation Fund (**Focem**) (being a company associated with Dr Kevin Moriarty) to requisition a general meeting of the Company to consider the resolutions specified in this Notice of General Meeting.

The request was made by Focem pursuant to section 249D of the Corporations Act, which requires directors of a company to convene a meeting at the request of a shareholder holding at least 5% of the votes that may be cast at a general meeting. At the date of receipt of the request, Focem was the registered holder of approximately 6.34% of the Shares in the Company.

**THE BOARD DOES NOT ENDORSE OR SUPPORT ANY OF THE  
RESOLUTIONS PROPOSED BY FOCEM AND WHICH ARE SET OUT IN  
THE NOTICE OF GENERAL MEETING**

### 2. Background

#### 2.1 Board Performance and Composition

By requisitioning the Meeting, Focem seeks to remove the majority of the Board's current members and to replace them with nominees of Focem and Mr Ian Ross Burdon and Mrs Catherine Louise Taylor, who would, upon their appointment, comprise 50% of the Board. Messrs Larson, Gan and Sacre are presently the three longest serving Directors on the Board and have helped the Company to navigate a period of significant instability over the last 12 months, providing strong oversight of the execution of key commercial agreements, delivery of project outcomes and re-formulation of Company strategy. The Company's most recently appointed Directors, Ms Alison Evans and Ms Sheree Ford, are not the subject of a removal resolution, having only been serving in their roles since early May 2022.

Over the last 12 months the Board has worked hard to strengthen governance and accountability of decision making in the Company for the benefit of Shareholders. This was considered a core requirement in order to restore credibility with external partners following the Company's instability in early 2021 and to attract new capital to progress the development and commercialisation of the Company's key projects, namely the Company's silicon-based thermal energy storage technology, SiBox™, and the Aurora Energy Project (**AEP**). This focus on good governance, strategy and execution has enabled agreements to be executed with new partners and secured external funding of \$7.1M in total.

The current Board, with the ongoing support of the Company's staff, has delivered key agreements, project activity and outcomes including:

- negotiating and executing commercial agreements with Woodside Energy Technologies Pty Ltd (**Woodside**) to establish a validation project to develop and assess the commercial potential of SiBox™ by contributing up to \$2M to construct and test a circa 1 MWh demonstration module;



- securing a \$2.2M grant from the Federal Government's Modern Manufacturing Initiative to accelerate the commercialisation of SiBox™;
- negotiating and executing a Share Sale Agreement with a subsidiary of Vast Solar Pty Ltd (**Vast Solar**) for the purchase of 50% of the shares in the Company's wholly owned subsidiary, Silicon Aurora Pty Ltd (**Silicon Aurora**) (owner of the AEP), for \$2.5M, payable in two instalments, plus a 50% contribution to costs for development of Stage 1 of the AEP. Entities associated with Vast Solar will also be granted Call Options to subscribe for new shares up to a maximum of 9.9% of the Shares in the Company, subject to execution by SiliconAurora of a Connection Agreement within 18 months of the date of execution of the Share Sale Agreement. The Call Options will have a strike price of \$0.16 each and will expire 3 months after their grant;
- entered into an exclusivity MoU with Ovida Infrastructure Pty Ltd (**Ovida**) for the development of the AEP. Although the MOU was terminated due to a decision from Ovida's shareholders to focus on investing in its existing assets, \$0.4M was still received from Ovida over the course of the MOU;
- continuing the research and development and commercialisation of the SiBox™ thermal energy storage technology, including:
  - delivering all project milestones on schedule for the SiBox™ Demonstration Module with Woodside; and
  - joining the Heavy Industry Low-carbon Transition Co-Operative Research Centre as an Affiliate Partner;
- securing the Development Approval variation for the AEP, allowing for the addition of a 140MW/280MWhr battery energy storage system (**BESS**), thermal energy storage and 33kV transmission line grid connection. The Development Approval also includes a modified site layout plan and project staging. This is in addition to the 150MW Concentrated Solar Power, 70MW Solar Photo-Voltaic and 275kV connection to the network already approved;
- renegotiating and renewing the Tripartite Agreement between Silicon Aurora, Carrierwerloo (the pastoral leaseholder) and the SA State Government that provides underlying tenure to the AEP;
- commencing the Generator Performance Standard study for the AEP, following confirmation of the key technical parameters of the BESS. This is the primary activity remaining in order to be approved by the Australian Energy Market Operator to connect to the National Electricity Market and negotiate a Transmission Connection Agreement with ElectraNet;
- appointing a further 2 non-executive directors to further strengthen the composition, independence and critical skills of the Board in managing emerging and growth listed companies; and
- reducing employee costs related to administration and marketing and reallocating savings towards recruitment of technical personnel to ensure the delivery of the SiBox™ Demonstration Module project with Woodside.

The Board is committed to ensuring a strong management team is in place in the Company to continue to build on the above achievements and deliver further success for Shareholders. It will hence undertake a thorough search for a suitably qualified person to replace Mr Matthew Squire as the Chief Executive Officer of the Company over the coming months. Dr Jordan Parham, who has been with the Company since the beginning of 2019 and has been an integral part of revamping the research and development of the thermal energy storage technology leading to SiBox™, and the progression of the AEP, will be the interim Chief Executive Officer whilst this process is underway.

The Company is at a critical point in the development of its core SiBox™ technology, as it transitions towards validation and then commercialisation, and the AEP, as it advances engineering and planning towards a final investment decision. Critical to the success of this transition is a stable Board that is known to, and has the capacity and credibility to work alongside, key external partners to deliver on investments and progress to date.

The Board considers that the best interests of the Company and all of its Shareholders are being, and will continue to be, served by the current Directors remaining in their roles. Notably, the Board is currently comprised of Directors who are experts in a variety of different areas, including the energy industry and the financial and legal fields, as well as emerging growth companies, with all Directors being independent and non-executive. The Board is well-qualified, experienced and credible to external partners to continue to lead the Company to deliver on its strategic objectives. Moreover, while the Board is always open to the prospect of adding to its number with appropriately skilled and qualified candidates, it does not consider that the appointment of Dr Moriarty and Mr Burden (or either of them) will meaningfully augment the skills already present on the Board.

The current Board does not consider that the removal of Mr Larson, Mr Gan or Mr Sacre from the Company's Board or the appointment of either of Dr Moriarty or Mr Burdon as Directors is in the best interests of Shareholders.

## **2.2 Actions taken by Focem and cost to the Company**

The Board notes that on 12 July 2021, while still a non-executive Director of the Company, Dr Moriarty served a notice on the Company seeking, pursuant to rule 12.2 of the Company's Constitution, to convene a general meeting of the Company to remove Mr Gan and Mr Larson as Directors and to appoint Mr Burdon and Mr Randolph Bowen as Directors (**2021 Requisition**). Dr Moriarty subsequently tendered his resignation as a Director on 19 July 2021 and contemporaneously withdrew the 2021 Requisition. As a result, the Company elected not to convene a general meeting, although it had already incurred significant costs, as well as Board and management time, in responding to the 2021 Requisition. Dr Moriarty also had the opportunity to stand for election as a Director at the Company's 2021 AGM but opted not to.

With the current requisition notice from Focem, the cost of calling and convening the Meeting will be borne by the Company. The Company is working diligently to minimise its operating costs and considers the Meeting to be an unnecessary and unproductive use of the Company's time and resources. It is anticipated that the cost of calling the Meeting is likely to be in excess of \$100,000. Similar costs were incurred last year in responding to the 2021 Requisition. The Board is of the view that Company funds can be better utilised to support its ongoing operations and key projects.

## **2.3 Future Plans**

Moving forward, the Company will continue to execute on its strategy, including the development and validation of SiBox™ and the delivery on time and to budget of all agreed milestones for the SiBox™ Demonstration Module with its partner, Woodside. The progression of the BESS as part of Stage 1 of the AEP will also continue with its recently announced partner, Vast Solar, through to final investment decision. Critically, it is imperative that 'business as usual' continues for the Company under a stable Board and management team.

The Company has not been provided with information of any of Focem's future plans or the future plans of Dr Moriarty and Mr Burdon if they are appointed as Directors. The Board does not support change for change's sake and considers the proposed resolutions, if passed, will not result in any improvement to the Company's medium to long term success.

## **2.4 Recommendation**

For the reasons outlined in this Explanatory Memorandum, the Directors unanimously recommend that you

**VOTE AGAINST EACH OF THE RESOLUTIONS SET OUT IN THIS  
NOTICE OF GENERAL MEETING**

The Directors will be voting all Shares that they hold AGAINST each of the resolutions set out in this Notice of General Meeting.

## **3. Resolution 1 — Removal of Mr Dana Larson as a Director**

### **3.1 Background**

In accordance with rule 3.10(a)(i) of the Company's Constitution, the Company may, by passing an ordinary resolution at a meeting of members by a majority of the members present and voting at the meeting, remove a Director from office.

Mr Larson was first appointed as a Director of the Company on 18 October 2017. He is a non-executive Director and was recently re-elected as a Director at the Company's 2021 Annual General Meeting. Having had regard to the ASX Principles, the Board considers Mr Larson to be an independent Director.

### **3.2 Information regarding Mr Larson**

Mr Larson is an energy expert with 19 years of experience in the oil and gas industry primarily focusing on acquisitions and reservoir engineering, having evaluated and worked fields and projects in basins located across the world. Mr Larson has consulted for hedge funds and wealthy individuals on energy and petroleum, mining (rare earths & precious metals), and alternative energy. He was also responsible for advising one of the funds who invested in the Company's IPO.

Mr Larson has a B.S. in Chemical and Petroleum Engineering from the University of Pittsburgh (Pittsburgh, PA, USA) and currently operates an advisory group that specialises in energy acquisition, data science, and data engineering.

### **3.3 Directors' Recommendation**

The Directors (excluding Mr Larson) unanimously recommend that Shareholders vote **AGAINST** Resolution 1.

The Chairman intends to vote undirected proxies **AGAINST** Resolution 1.

## **4. Resolution 2 — Removal of Mr Peter Gan as a Director**

### **4.1 Background**

In accordance with rule 3.10(a)(i) of the Company's Constitution, the Company may, by passing an ordinary resolution at a meeting of members by a majority of the members present and voting at the meeting, remove a Director from office.

Mr Gan is a non-executive Director and was first appointed to the Board on 4 January 2021 to fill a casual vacancy. He was then elected as a Director at the Company's 2021 Annual General Meeting. Having had regard to the ASX Principles, the Board considers Mr Gan to be an independent Director.

### **4.2 Information regarding Mr Gan**

Mr Gan has held Chief Executive Officer/Chief Operations Officer/Company Secretary roles over the last 15 years in publicly listed companies (such as the ASX, AIM and PLUS) as well as private and institutional fund companies. He has led small to medium sized companies in multiple industries including online gaming, energy markets, technology start-ups and financial services. More specifically, Mr Gan has worked at Australia's largest energy company, Energy Australia, as well as running listed and infrastructure fund companies in renewable energy and coal seam gas. Mr Gan's experience comprehensively straddles capital markets and corporate management. He has worked in and/or managed companies in Australia, US, UK, Netherlands, Belgium, Ireland, China, Hong Kong and Southeast Asia.

Mr Gan holds an Engineering Degree (Hons) and Master of Business Administration from the University of New South Wales, Australia.

### **Directors' Recommendation**

The Directors (excluding Mr Gan) unanimously recommend that Shareholders vote **AGAINST** Resolution 2.

The Chairman intends to vote undirected proxies **AGAINST** Resolution 2.

## **5. Resolution 3 — Removal of Mr Tony Sacre as a Director**

### **5.1 Background**

In accordance with rule 3.10(a)(i) of the Company's Constitution, the Company may, by passing an ordinary resolution at a meeting of members by a majority of the members present and voting at the meeting, remove a Director from office.

Mr Sacre is a non-executive Director and Chairman of the Board. Mr Sacre was first appointed to the Board on 3 June 2021 to fill a casual vacancy. He was then elected as a Director at the Company's 2021 Annual General Meeting. Having had regard to the ASX Principles, the Board considers Mr Sacre to be an independent Director.

## **5.2 Information regarding Mr Sacre**

Mr Sacre is the Chief Executive Officer (**CEO**) for the Bentleys Network, an international network of advisory and accounting firms. Prior to joining the Bentleys Network, Mr Sacre was the CEO of the Sydney Stock Exchange. Prior to this, Mr Sacre's 25-year career includes senior executive roles within ANZ Banking Group, Commonwealth Bank, HSBC, JP Morgan and National Australia Bank. Mr Sacre's international experience includes five years in New York with HSBC in a senior financial markets position. Mr Sacre has also led various financial markets, trade finance and advisory businesses throughout the Asia Pacific Region during his time at Commonwealth Bank, ANZ and AME Group. Mr Sacre is a Director and Chairman of Allinial Global, Asia Pacific, the second largest association of accounting and consulting firms in the world.

Mr Sacre holds a Bachelor of Business (Accounting), a Master of Business Administration (MBA), is a qualified CPA and CA, and has qualifications from the Australian Institute of Company Directors.

## **5.3 Directors' Recommendation**

The Directors (excluding Mr Sacre) unanimously recommend that Shareholders vote **AGAINST** Resolution 3.

The Chairman intends to vote undirected proxies **AGAINST** Resolution 3.

## **6. Resolution 4 — Appointment of Mr Ian Ross Burdon as a Director**

### **6.1 Background**

In accordance with rule 3.4 of the Company's Constitution, the Company may elect a Director by passing a resolution at a meeting of members by a majority of the members present and voting at the meeting.

### **6.2 Information regarding Mr Burdon**

The Company has received a statement concerning Mr Burdon's background and experience via Dr Moriarty. A copy of that statement is included in the form it was received and without amendment in the Annexure to this Explanatory Memorandum.

### **6.3 Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote **AGAINST** Resolution 4.

The Chairman intends to vote undirected proxies **AGAINST** Resolution 4.

## **7. Resolution 5 — Appointment of Dr Kevin Moriarty as a Director**

### **7.1 Background**

In accordance with rule 3.4 of the Company's Constitution, the Company may elect a Director by passing a resolution at a meeting of members by a majority of the members present and voting at the meeting.

### **7.2 Information regarding Dr Moriarty**

Dr Moriarty has provided the Company with a statement concerning his background and experience. A copy of that statement in the form it was received and without amendment is included in the Annexure to this Explanatory Memorandum.

The Board makes the following remarks concerning the contents of the statement regarding Dr Moriarty:

- Dr Moriarty's statement refers to '*second generation technology*', without clarifying the specific technology that is being referenced. The Company is unclear whether this is a reference to the GAS-TESS technology previously tested at SA Water's Glenelg Wastewater treatment plant, or the SiBox™ technology.
- Dr Moriarty states that, under his leadership, the Company '*designed the better performing SiBox technology*'. At the time of Dr Moriarty's resignation as a director and Executive Chairman of the Company in June 2021, the design of the SiBox™ technology was immature. While the concept for the technology was in its development phase, the design work has progressed as a result of the partnership with Woodside, which commenced in October 2021.
- Dr Moriarty also states that he '*negotiated the favourable SiBox development funding deal with Woodside*'. While it is correct that Dr Moriarty was involved in initial negotiations with Woodside and in the design of the funding model, as noted above, the relevant agreements were the subject of significant negotiation following his departure before their execution in October 2021. These negotiations and the finalisation of the arrangement were led by Mr Matthew Squire and Dr Jordan Parham.
- Dr Moriarty notes that he contributed capital to the Company via the most recent Share Purchase Plan. This capital raising (which capped any individual shareholder's subscription to a maximum of \$30,000 worth of Shares) was completed in October 2020 and the Company has not undertaken a further public offer of Shares (via Share Purchase Plan or otherwise) since that time. As such, the current Board has not had the opportunity to contribute capital to the Company. The Board notes that the majority of Shares held by Focem were issued to it in consideration for services provided to the Company by Dr Moriarty in its early stages and prior to its IPO and ASX listing, rather than for cash consideration.
- Dr Moriarty's statement also notes that '*[h]e has stronger alignment of interest with the Company's performance compared to the other Directors*'. The Company assumes that the inference is that Dr Moriarty's shareholding interest is the factor which aligns his interests more strongly to those of the Company than any other Director. For completeness, the Company notes that both Mr Larson and Mr Sacre hold Shares in the Company.
- Finally, the Company draws Shareholders' attention to Recommendations 2.4 and 2.5 of the ASX Principles, which provide that (a) the Company Board should comprise a majority of independent directors and (b) the Chair of the board should be an independent director. The current structure of the Board satisfies these governance requirements. If Dr Moriarty is appointed as a Director, he will not be an independent director based on guidance provided in the ASX Principles. The Board anticipates Mr Burdon may also not satisfy independence requirements on the basis of his relationship and alignment to Dr Moriarty. Furthermore, if Dr Moriarty resumes his previous position as Chair, the Company will cease to meet the requirement of having an independent Chair, such that the Company will return to a position of non-compliance with these important governance principles.

### 7.3 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote **AGAINST** Resolution 5.

The Chairman intends to vote undirected proxies **AGAINST** Resolution 5.

## GLOSSARY

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

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

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

"**ASX Principles**" means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

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

"**Chairman**" or "**Chair**" means Mr Tony Sacre.

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

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

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

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

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

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

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

## **ANNEXURE - SUPPORTING STATEMENTS PROVIDED BY DR MORIARTY**

### **Supporting statement of Ian Ross Burdon**

Ian Ross Burdon built a large agribusiness in the South Australian Riverland as Managing Director of Burdon Properties until it was sold to an international investment house in 2019. He has been investing in 1414 Degrees Ltd since that time because he believes in the future of the silicon storage technology. His entrepreneurial experience will aid in commercialising the unique SiBox product.

### **Supporting statement of Dr Kevin Moriarty**

Dr Moriarty was first appointed as a Director of the Company in 2016 and led the Company for the next five years. Under Dr Moriarty's leadership, the Company tested the second generation technology then designed the better performing unique SiBox technology, acquired the Aurora Solar Energy Project and built an accomplished team to ensure investment interest. He negotiated the favourable SiBox development funding deal with Woodside Petroleum and organised the equivalent Federal Government manufacturing grant.

His associated entity (being Focem Pty Ltd as trustee of the Towarnie Superannuation Fund) currently holds 12,715,694 Shares (representing approximately 6.3% of all Shares). He has (through his associated entity) contributed capital to the Company in the most recent Share Purchase Plan. He has a stronger alignment of interest with the Company's performance compared to the other Directors.


He is the only Director that has held an executive role in the Company, leading much of the Company's capital raising to commercialise its storage business and develop cash flows. As a result of his role as Executive Chair, he has extensive experience and knowledge in the Company's management compared to the directors proposed to be removed, and who are all Non-Executive Directors resident in Sydney or the United States of America. Dr Moriarty's view is that this means that he is in a better position to secure partnerships and grants that are truly in the interests of all shareholders, and to work with the executive and technical team in order to develop and deliver the Company's projects compared to the other Directors.




CLEAN  
SCALABLE  
ENERGY  
STORAGE™

1414 DEGREES LIMITED  
ABN 57 138 803 620

## Need assistance?

 **Phone:**  
1300 556 161 (within Australia)  
+61 3 9415 4000 (outside Australia)

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



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (ACST) on Tuesday, 26 July 2022.**

# Proxy Form

## How to Vote on Items of Business

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

### APPOINTMENT OF PROXY

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

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

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

**A proxy need not be a securityholder of the Company.**

### SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

### PARTICIPATING IN THE MEETING

#### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 181136**

**SRN/HIN:**

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

### By Mail:

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

### By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.



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

# Proxy Form

Please mark  to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

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

the Chairman of the meeting **OR**

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of 1414 Degrees Limited to be held at Rydges Hotel, 1 South Terrace, Adelaide SA 5000 and as a virtual meeting on Thursday, 28 July 2022 at 10:00am (ACST) and at any adjournment or postponement of that meeting.

## Step 2 Items of Business

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

**VOTE AGAINST**  
**The Directors of 1414 Degrees Limited recommend that**  
**shareholders VOTE AGAINST the resolutions set out in the**  
**Notice of General Meeting**

	For	Against	Abstain
Resolution 1 Removal of Mr Dana Larson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Removal of Mr Peter Gan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Removal of Mr Tony Sacre as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Appointment of Mr Ian Ross Burdon as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Appointment of Dr Kevin Moriarty as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
<input type="text"/>	<input type="text"/>	<input type="text"/>	/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

### Update your communication details *(Optional)*

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

Mobile Number	Email Address
<input type="text"/>	<input type="text"/>