
ADVERTITAS LIMITED
ACN 156 377 141
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11.00am (WST)

DATE: Wednesday, 19 April 2023

PLACE: Bentley Technology Park – The Hub
2 Brodie Hall Drive
Bentley, Western Australia

The business of the Meeting affects your shareholding and your vote is important.

This Notice of 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 advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 17 April 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 - RATIFICATION OF PRIOR ISSUE OF 25,000,000 SHARES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 25,000,000 Shares at an issue price of \$0.10 per Share on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

2. RESOLUTION 2 - APPROVAL OF ISSUE OF 5,000,000 SHARES VIA PLACEMENT TO MR MARK MCCONNELL (OR HIS NOMINEE)

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

“That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 5,000,000 Shares to Mr Mark McConnell (or his nominee) at an issue price of \$0.10 per Share on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour on this Resolution by or on behalf of Mr Mark McConnell or an associate of Mr McConnell (or their nominees) or any person who will obtain a material benefit as a result of the proposed issue (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 this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or*
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the direction given to the chair to vote on the Resolution as the chair 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:*
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and*

- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. RESOLUTION 3 - RATIFICATION OF PRIOR ISSUE OF 43,647,059 SHARES

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

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 43,647,059 Shares at an issue price of \$0.085 per Share on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of this Resolution by:

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

4. RESOLUTION 4 - APPROVAL OF ISSUE OF 3,529,412 SHARES VIA PLACEMENT TO MR MARK MCCONNELL (OR HIS NOMINEE)

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

“That pursuant to ASX Listing Rule 10.11 and for all other purposes, approval be given to issue 3,529,412 Shares to Mr Mark McConnell (or his nominee) at an issue price of \$0.085 per Share on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour on this Resolution by or on behalf of Mr Mark McConnell or an associate of Mr McConnell (or their nominees) or any person who will obtain a material benefit as a result of the proposed issue (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 this Resolution by:

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

5. RESOLUTION 5 – APPROVAL TO ISSUE PERFORMANCE RIGHTS TO MATHEW RATTY

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

“That for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 10,000,000 Performance Rights to Mr Mathew Ratty (or his nominee) under the terms and conditions as set out in the Explanatory Statement.”

Voting exclusion statement:

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

- (a) 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 Incentive Plan; or*
- (b) an Associate of that person.*

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

- (a) a person as 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 Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair 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, under that appointment, as a proxy on this Resolution if:

- (a) the proxy is either:*
 - (i) a member of the Key Management Personnel; or*
 - (ii) a Closely Related Party of such a member; and*
- (b) the appointment does not specify the way the proxy is to vote on this 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 if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.*

Dated: 16 March 2023

By order of the Board



Susan Park
Company Secretary

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from the Company's share registry will need to verify your identity. You can register from 10.15am (WST) on the day of the meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9473 2500.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF 25,000,000 SHARES

1.1 General

On 24 October 2022, the Company announced a \$3.0 million placement comprising the issue of 30,000,000 Shares at an issue price of \$0.10 per Share (**Placement**). Adveritas Director Mr Mark McConnell committed to subscribe for a total of 5,000,000 Shares at the Placement issue price of \$0.10 per Share to raise \$500,000. The issue of 5,000,000 Shares to Mr McConnell (or nominee) is subject to Shareholder approval in Resolution 2 below. The Placement was taken up by new professional and sophisticated investors as well as existing Shareholders.

Funds raised from the Placement will support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base. Specifically:

- hiring of additional personnel to manage the integration of potential customers, which is the phase preceding trial activation;
- hiring of additional personnel to support customers throughout their engagement with TrafficGuard and cross sell other products to them;
- hiring of additional personnel to strengthen the Company's TrafficGuard products including a Chief Product Officer to drive feature upsells;
- commercialising the Company's Freemium subscribers to paying customers; and
- growing channel partnerships.

The Company issued 25,000,000 Placement Shares on 28 October 2022. Resolution 1 seeks Shareholder approval for the ratification for the purposes of Listing Rule 7.4 for the issue of 25,000,000 Shares issued pursuant to the Company's existing Listing Rule 7.1A placement capacity.

1.2 Background to Listing Rule 7.1A

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%. Shareholders approved this additional capacity at the Company's annual general meeting held prior to the 28 October 2022 Placement on 23 November 2021.

As the Placement does not fall under any exceptions and has not yet been approved by the Company's Shareholders, it effectively uses up part of the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A for the period ending on the earliest of:

- the date that is 12 months after the last annual general meeting at which the Listing Rule 7.1A Mandate was approved;
- the time and date of the next annual general meeting; and

- the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (for a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking),

(Listing Rule 7.1A Mandate Expiry Date).

Listing Rule 7.4 allows the shareholders of a company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1A and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1A and therefore seeks Shareholder approval to ratify the issue of Shares pursuant to the LR7.1A Placement under and for the purposes of Listing Rule 7.4.

If this Resolution is passed, the Shares pursuant to the LR7.1A Placement will be excluded in calculating the Company's 15% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval:

- under Listing Rule 7.1 for the 12 month period following the date the Company issued Shares pursuant to the LR7.1A Placement; and
- under Listing Rule 7.1A for the period ending on the Listing Rule 7.1A Mandate Expiry Date.

If this Resolution is not passed, the Shares pursuant to the LR7.1A Placement will be included in calculating the Company's 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval under Listing Rules 7.1 and 7.1A for the periods noted immediately above.

If Resolution 1 is approved, the 25,000,000 Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following their issue.

If Resolution 1 is not approved by the requisite majority, the 25,000,000 Shares will be included in calculating the Company's 10% limit in Listing Rule 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following their issue.

1.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1 and the ratification of the issue of the 25,000,000 Shares issued pursuant to the Company's existing Listing Rule 7.1A placement capacity:

- The 25,000,000 Shares were issued to new and existing professional and sophisticated investors determined by the Board. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that no related parties of the Company, members of the Company's Key Management Personnel, advisers of the Company or an associate of any of these parties were issued more than 1% of the issued capital of the Company under the Placement. Substantial Shareholder Daws & Son Pty Ltd received 9,000,000 Shares in the

Placement;

- The 25,000,000 Shares were issued pursuant to ASX Listing Rule 7.1A on 28 October 2022.
- The 25,000,000 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares was \$0.10 per Share.
- Funds raised from the issue will be used to will be used to support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base and for general working capital purposes. Refer Section 1.1 above for further details.
- A voting exclusion statement is included in Resolution 1 of the Notice.

1.4 Directors' recommendation

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Therefore, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

2. RESOLUTION 2 - APPROVAL OF ISSUE OF 5,000,000 SHARES VIA PLACEMENT TO MR MARK MCCONNELL (OR HIS NOMINEE)

2.1 General

As noted in Section 1.1 above, on 24 October 2022, the Company announced a \$3.0 million Placement comprising the issue of 30,000,000 Shares at an issue price of \$0.10 per Share. Adveritas Non-executive Director Mr Mark McConnell (or nominee) committed to subscribe for 5,000,000 Shares at the Placement issue price of \$0.10 per Share to raise \$500,000 which is subject to Shareholder approval in Resolution 2. The funds raised from the Placement will be used to support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base and for general working capital purposes.

2.2 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a Related Party without the approval of shareholders. Pursuant to Listing Rule 7.2 exception 14, where approval under Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will not be included in the Company's 15% limit.

Mr Mark McConnell falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Adveritas and is a related party of the Company.

If Resolution 2 is not approved, the 5,000,000 Shares at an issue price of \$0.10 per Share under the placement to Mr McConnell will not be issued and the Company will not receive the additional \$500,000 in Placement proceeds. If Resolution 2 is approved, 5,000,000 Shares will be issued to Mr McConnell (or nominee) at an issue price of \$0.10 per Share and the Company will receive an additional \$500,000 in Placement proceeds to bring the total amount raised under the Placement to \$3.0 million (before costs).

2.3 Technical information required by ASX Listing Rule 10.13

Resolution 2 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the

issue of a total of 5,000,000 Shares at an issue price of \$0.10 per Share to Mr Mark McConnell (or his nominee).

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 2:

- The maximum number of securities to be issued is 5,000,000 Shares.
- The 5,000,000 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares will be \$0.10 per Share.
- The 5,000,000 Shares will be issued to Mr Mark McConnell (or his nominee).
- Mr McConnell falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Adveritas and is a related party of the Company.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- Funds raised from the issue will be used to support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base and for general working capital purposes.
- A voting exclusion statement is included in Resolution 2 of the Notice.

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF 43,647,059 SHARES

3.1 General

On 30 January 2023, the Company announced a \$4.0 million placement comprising the issue of 47,176,471 Shares at an issue price of \$0.085 per Share (**LR 7.1 Placement**). Adveritas Director Mr Mark McConnell committed to subscribe for a total of 3,529,412 Shares at the LR 7.1 Placement issue price of \$0.085 per Share to raise \$300,000. The issue of 3,529,412 Shares to Mr McConnell (or nominee) is subject to Shareholder approval in Resolution 4 below. The LR 7.1 Placement was taken up by new professional and sophisticated investors as well as existing Shareholders.

Funds raised from the LR 7.1 Placement will support growth initiatives given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base. Specifically:

- Hiring of additional personnel to strengthen the Company's product team to enable further enhancements of the TrafficGuard products and the development of features requested by customers;
- Hiring of additional personnel to support customers throughout their engagement with TrafficGuard and cross sell other products to them;
- Commercialising the Company's self-serve product to drive the conversion of Freemium subscribers into paying customers; and
- Growing channel partnerships.

43,647,059 Shares were issued on 8 February 2023 under the LR 7.1 Placement.

3.2 Background to Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the LR 7.1 Placement does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the LR 7.1 Placement.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made, provided that the issue did not breach Listing Rule 7.1. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the LR 7.1 Placement.

Resolution 3 seeks Shareholder approval for the ratification for the purposes of Listing Rule 7.4 for the issue of 43,647,059 Shares issued pursuant to the Company's existing Listing Rule 7.1 placement capacity.

If Resolution 3 is passed, the 43,647,059 LR 7.1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the LR 7.1 Placement.

If Resolution 3 is not passed, the 43,647,059 LR 7.1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the LR7.1 Placement.

3.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3 and the ratification of the issue of the 43,647,059 Shares issued pursuant to the Company's existing Listing Rule 7.1 placement capacity:

- The 43,647,059 Shares were issued to new and existing professional and sophisticated investors determined by the Board. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that no related parties of the Company, members of the Company's Key Management Personnel, advisers of the Company or an associate of any of these parties were issued more than 1% of the issued capital of the Company under the LR7.1 Placement. Substantial Shareholder Daws & Son Pty Ltd received 17,647,059 Shares

in the LR7.1 Placement;

- The 43,647,059 Shares were issued pursuant to ASX Listing Rule 7.1 on 8 February 2023.
- The 43,647,059 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares was \$0.085 per Share.
- Funds raised from the issue will be used to will be used to support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base and for general working capital purposes. Refer Section 3.1 above for further details.
- A voting exclusion statement is included in Resolution 3 of the Notice.

3.4 Directors' recommendation

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Therefore, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

4. RESOLUTION 4 - APPROVAL OF ISSUE OF 3,529,412 SHARES VIA PLACEMENT TO MR MARK MCCONNELL (OR HIS NOMINEE)

4.1 General

As noted in Section 3.1 above, on 30 January 2023, the Company announced a \$4.0 million placement comprising the issue of 47,176,471 Shares at an issue price of \$0.085 per Share. Adveritas Non-executive Director Mr Mark McConnell (or nominee) committed to subscribe for a total of 3,529,412 Shares at the LR 7.1 Placement issue price of \$0.085 per Share to raise \$300,000 which is subject to Shareholder approval in Resolution 4. The funds raised from the Placement will be used to support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base and for general working capital purposes.

4.2 Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue equity securities to a Related Party without the approval of shareholders. Pursuant to Listing Rule 7.2 exception 14, where approval under Listing Rule 10.11 is obtained, approval is not required under Listing Rule 7.1 and the issue of securities will not be included in the Company's 15% limit.

Mr Mark McConnell falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Adveritas and is a related party of the Company.

If Resolution 4 is not approved, the 3,529,412 Shares at an issue price of \$0.085 per Share under the placement to Mr McConnell will not be issued and the Company will not receive the additional \$300,000 in LR7.1 Placement proceeds. If Resolution 4 is approved, 3,529,412 Shares will be issued to Mr McConnell (or nominee) at an issue price of \$0.085 per Share and the Company will receive an additional \$300,000 in LR7.1 Placement proceeds to bring the total amount raised under the LR 7.1 Placement to \$4.0 million (before costs).

4.3 Technical information required by ASX Listing Rule 10.13

Resolution 4 seeks Shareholder approval for the purposes of Listing Rule 10.11 to approve the

issue of a total of 3,529,412 Shares at an issue price of \$0.085 per Share to Mr Mark McConnell (or his nominee).

In accordance with Listing Rule 10.13 the following information is provided in relation to Resolution 4:

- The maximum number of securities to be issued is 3,529,412 Shares.
- The 3,529,412 Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. The Shares will rank equally in all respects with the existing Shares on issue.
- The issue price of the Shares will be \$0.085 per Share.
- The 3,529,412 Shares will be issued to Mr Mark McConnell (or his nominee). This issue of Shares does not form part of Mr McConnell's remuneration and is not intended to incentivise Mr McConnell in his role as a Director of the Company. Mr McConnell (or nominee) committed to subscribe for a total of 3,529,412 Shares at the LR 7.1 Placement issue price of \$0.085 per Share to raise \$300,000.
- Mr McConnell falls within the category set out in Listing Rule 10.11.1 by virtue of being a Director of Adveritas and is a related party of the Company.
- The issue will occur on a single date no later than one (1) month after the date of the General Meeting or such later date to the extent permitted by an ASX waiver of the Listing Rules.
- Funds raised from the issue will be used to support further rapid growth given the success of recent sales and go-to-market initiatives, and build upon the Company's growing client base and for general working capital purposes.
- A voting exclusion statement is included in Resolution 4 of the Notice.

5. RESOLUTION 5 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO MATHEW RATTY

5.1 General

The Company has agreed, to issue up to 5,000,000 Performance Rights to Mathew Ratty (or his nominee) under the terms and conditions of the Incentive Performance Rights and Options Plan and as set out below in Schedule 1 (**Performance Rights**).

5.2 Chapter 2E of the Corporations Act

Chapter 2E 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.

The issue of the Performance Rights to Mathew Ratty (or their nominee) constitutes giving a financial benefit and Mr Ratty is a related party of the Company by virtue of being a Director.

The Directors (other than Mathew Ratty) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights, because the issue of Performance Rights constitutes reasonable remuneration payable to

Mathew Ratty.

5.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to Mr Ratty falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 5 seeks the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

5.4 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Performance Rights to Mathew Ratty under the terms and conditions of the Incentive Performance Rights and Options Plan and as detailed in Schedule 1 within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Ratty and the Company will not be utilising the most cost-effective and efficient means for incentivising Mr Ratty, and other means, such as cash payments, will be considered. Those other means may not align Mr Ratty's interests with those of Shareholders to the same extent.

5.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 5:

- (a) the Performance Rights will be issued to Mathew Ratty (or his nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of being a Director;
- (b) the maximum number of Performance Rights to be issued to is 5,000,000 Performance Rights;
- (c) The Performance Rights shall be issued on the basis of the following vesting conditions:
 - (i) 2,500,000 Performance Rights will vest and will be able to be converted into 2,500,000 Shares subject to Mr Ratty being continuously employed as Chief Executive Office of the Company up to 31 December 2023 (**First Milestone**); and
 - (ii) 2,500,000 will vest and will be able to be converted into 2,500,000 Shares subject to Mr Ratty being continuously employed as Chief Executive Office of the Company on 31 December 2024 (**Second Milestone**).
- (d) the Performance Rights will expire 5 years from date of issue.
- (e) the current total remuneration package for Mr Ratty is \$350,000 (plus statutory superannuation). In addition to his salary and at the Board's discretion, Mr Ratty is eligible

to receive a cash bonus in relation to the successful completion of various milestones periodically set by the Board. The cash bonus is not to exceed 50% of his annual base salary in the financial year the bonus is earned.

- (f) 16.5 million Performance Rights have been previously issued under the Incentive Performance Rights and Option Plan;
- (g) the Performance Rights will be issued under the terms and conditions of the Incentive Performance Rights and Options Plan as summarised in Schedule 1;
- (h) the Performance Rights are unquoted performance rights. The Company has chosen to grant the Performance Rights to Mr Ratty for the following reasons:
 - (i) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Performance Rights to Mr Ratty will act as a long-term incentive and retention strategy and will align the interests of Mr Ratty with those of Shareholders;
 - (iii) the issue 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 Ratty; and
 - (iv) 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 on the terms proposed;
- (i) the Company values the Performance Rights at \$0.0729 per Performance Right based on the Black-Scholes methodology. The total value of the Performance Rights attributable to the First Milestone is \$182,257 and \$182,265 attributable to the Second Milestone;
- (j) the Performance Rights will be issued to Mr Ratty (or his nominee) 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 Listing Rules) and it is anticipated the Performance Rights will be issued on one date;
- (k) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;
- (l) no loan is being made to Mr Ratty in connection with the acquisition of the Performance Rights;
- (m) details of any Performance Rights issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Performance Rights Plan after Resolution 5 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

Associated Body Corporate means

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has an entitlement to not less than 20% of the voting Shares of the Company; and
- (c) a body corporate in which the Company has an entitlement to not less than 20% of the voting shares.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Adveritas Limited (ACN 156 377 141).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

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.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Plan means the incentive performance rights and options plan adopted by Shareholders on 23 November 2021 as summarised in Schedule 1.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

WST means western standard time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF TERMS OF PERFORMANCE RIGHTS AND OPTIONS PLAN

The material terms and conditions of the Performance Rights and Options Plan (**Plan**) are as follows:

- (a) **Eligibility:** Participants in the Plan may be:
- (i) a Director (whether executive or non-executive) of the Company and any Associated Body Corporate of the Company (each, a **Group Company**);
 - (i) a full or part time employee of any Group Company;
 - (ii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iii) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,
- who is declared by the Board to be eligible to receive grants of Options or Performance Rights (**Awards**) under the Plan (**Eligible Participant**).
- (b) **Offer:** The Board may, from time to time, in its absolute discretion, make a written offer to any Eligible Participant to apply for Awards, upon the terms set out in the Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Awards offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Issue price:** Performance Rights granted under the Plan will be issued for nil cash consideration. Unless the Options are quoted on the ASX, Options issued under the Plan will be issued for no more than nominal cash consideration.
- (e) **Exercise price:** The Board may determine the Option exercise price (if any) for an Option offered under that Offer in its absolute discretion. To the extent the Listing Rules specify or require a minimum price, the Option exercise price must not be less than any minimum price specified in the Listing Rules.
- (f) **Vesting conditions:** An Award may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Awards (**Vesting Conditions**).
- (g) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a Participant (being an Eligible Participant to whom Awards have been granted under the Plan or their nominee where the Awards have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Awards due to:
- (i) special circumstances arising in relation to a Relevant Person in respect of those

Awards, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total or permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
 - (B) a Relevant Person suffering severe financial hardship;
 - (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
 - (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or
 - (ii) a change of control occurring; or
 - (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.
- (h) **Lapse of an Award:** An Award will lapse upon the earlier to occur of:
- (i) an unauthorised dealing, or hedging of, the Award occurring;
 - (ii) a Vesting Condition in relation to the Award is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iii) in respect of unvested Awards only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Award in the circumstances set out in paragraph (g) or the Board resolves, in its absolute discretion, to allow the unvested Awards to remain unvested after the Relevant Person ceases to be an Eligible Participant;
 - (iv) in respect of vested Awards only, a Relevant Person ceases to be an Eligible Participant and the Award granted in respect of that Relevant Person is not exercised within a one (1) month period (or such later date as the Board determines) of the date that person ceases to be an Eligible Participant;
 - (v) the Board deems that an Award lapses due to fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made and the Board does not exercise its discretion to vest the Award; and
 - (vii) the expiry date of the Award.

- (i) **Not transferrable:** Subject to the Listing Rules, Awards are only transferrable in Special Circumstances with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (j) **Shares:** Shares resulting from the exercise of the Awards shall, subject to any Sale Restrictions (refer paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
- (k) **Sale restrictions:** The Board may, in its discretion, determine at any time up until exercise of Awards, that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Awards (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
- (l) **Quotation of Shares:** If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 5 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (m) **No participation rights:** There are no participation rights or entitlements inherent in the Awards and Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Awards without exercising the Award.
- (n) **Change in exercise price of number of underlying securities:** An Award does not confer the right to a change in exercise price or in the number of underlying Shares over which the Award can be exercised.
- (o) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (p) **Amendments:** Subject to express restrictions set out in the Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Award granted under the Plan including giving any amendment retrospective effect.

Need assistance?



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



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (WST) on Monday, 17 April 2023.**

Proxy Form

How to Vote on Items of Business

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

APPOINTMENT OF PROXY

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

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

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

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

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

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

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

PARTICIPATING IN THE MEETING

Corporate Representative

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

Lodge your Proxy Form:

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Online:

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

Your secure access information is



Control Number: 182112

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

By Mail:

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

By Fax:

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



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

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

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I/We being a member/s of Adveritas 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 Adveritas Limited to be held at Bentley Technology Park - The Hub, 2 Brodie Hall Drive, Bentley, Western Australia on Wednesday, 19 April 2023 at 11:00am (WST) and at any adjournment or postponement of that meeting.

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

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

Step 2 Items of Business

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

		For	Against	Abstain
Resolution 1	Ratification of prior issue of 25,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval of issue of 5,000,000 Shares via Placement to Mr Mark McConnell (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of 43,647,059 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of 3,529,412 Shares via Placement to Mr Mark McConnell (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval to issue Performance Rights to Mathew Ratty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

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

