



AD1 HOLDINGS LIMITED
ACN 123 129 162

Notice of Extraordinary General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Monday, 4 November 2024

Time of Meeting:
2.00PM (AEDT)

Location:
Virtual meeting

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

AD1 HOLDINGS LIMITED

ACN 123 129 162

Registered office: Level 4, Office 6, 90 William Street, Melbourne Victoria 3000

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Shareholders of AD1 Holdings Limited (the “Company”) will be held as a virtual meeting on Monday, 4 November 2024 at 2.00pm (AEDT) (“Extraordinary General Meeting” or “Meeting”).

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form.

Shareholders attending the EGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the EGM.

The virtual meeting can be attended using the following details:

When: Monday, 4 November 2024 at 2:00pm (AEDT)

Topic: AD1 Holdings Limited - Extraordinary General Meeting

Register in advance for the virtual meeting:

https://us06web.zoom.us/webinar/register/WN_AIQyU2w2SqWL9YGC2HeDQA

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online. The Company will conduct a poll on each resolution presented at the meeting. The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the meeting by email to Todd.perkinson@ad1holdings.com.au. The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the EGM should monitor the Company’s website and its ASX announcements for any updates about the EGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: AD1) and on its website at www.ad1holdings.com.au.

AGENDA

The Explanatory Statement and Proxy Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the Proxy Form in their entirety.

ORDINARY BUSINESS

Resolution 1: Ratification of issue of Tranche 1 Placement Shares

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

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and prior issue of 198,700,000 Tranche 1 Placement Shares issued on or about 13 August 2024 and otherwise on the terms and conditions in the Explanatory Statement.”

Resolution 2: Approval for Issue of Tranche 2 Placement Shares

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 191,300,000 Tranche 2 Placement Shares to unrelated professional and sophisticated investors, as described in the Explanatory Statement which accompanied and formed part of this Notice.”

Resolution 3: Approval of Issue of Placement Shares to Mr Michael Norster, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, the Shareholders of the Company approve the issue of 50,000,000 Placement Shares to Mr Michael Norster, Director of the Company (and/or his nominee(s)), as described in the Explanatory Statement which accompanied and formed part of this Notice.”

Resolution 4: Approval of Issue of Placement Shares to Mr Nicholas Smedley, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, the Shareholders of the Company approve the issue of 65,600,000 Placement Shares to Mr Nicholas Smedley, Director of the Company (and/or his nominee(s)), as described in the Explanatory Statement which accompanied and formed part of this Notice.”

Resolution 5: Approval of Issue of Placement Shares to Mr Angus Washington, Director of the Company

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

“That, for the purposes of ASX Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, the Shareholders of the Company approve the issue of 14,400,000 Placement Shares to Mr Angus Washington, Director of the Company (and/or his nominee(s)), as described in the Explanatory Statement which accompanied and formed part of this Notice.”

Resolution 6: Approval for Issue of Consideration Shares

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the issue of up to 48,721,072 Consideration Shares, to the shareholders (vendors) of Oliver Grace Pty Ltd, as described in the Explanatory Statement which accompanied and formed part of this Notice.”

Resolution 7: Approval for Issue of Shares

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 90,000,000 fully paid ordinary shares, to Pure Asset Management Pty Ltd, as described in the Explanatory Statement which accompanied and formed part of this Notice.”

Resolution 8: Consolidation of Share Capital

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

“That in accordance with section 254H of the Corporations Act 2001 (Cth), Listing Rule 7.20 and for all other purposes, approval be given for the consolidation of every ten (10) Shares on issue into one (1) Share, with any resulting fractions of Shares rounded up to the next whole number of Shares, on the terms and conditions set out in the Explanatory Statement accompanying this Notice.”

Resolution 9: Grant of Options to Mr Michael Norster

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

“That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of a total of 50,000,000 unlisted Options in the Company to Mr Michael Norster on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 10: Grant of Options to Mr Nicholas Smedley

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

“That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of a total of 100,000,000 unlisted Options in the Company to Mr Nicholas Smedley on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 11: Grant of Options to Mr Angus Washington

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

“That, for the purposes of Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of a total of 50,000,000 unlisted Options in the Company to Mr Angus Washington on the terms and conditions set out in the Explanatory Memorandum.”

Resolution 12: Grant of Options to Mr Todd Perkinson

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 50,000,000 unlisted Options in the Company to Mr Todd Perkinson, Chief Executive Officer of the Company, on the terms and conditions set out in the Explanatory Memorandum.”

By order of the Board

Todd Perkinson
Company Secretary

Dated: 3 October 2024

Notes

- (a) **Entire Notice:** The details of the Resolutions contained in the Explanatory Statement accompanying this Notice should be read together with, and form part of, this Notice.
- (b) **Record Date:** The Company has determined that for the purposes of the Extraordinary General Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 7.00pm (AEDT) on the date 48 hours before the date of the General Meeting. Only those persons will be entitled to vote at the General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the General Meeting.

(c) **Proxies**

All voting will be conducted by poll.

The Directors instruct all Shareholders who would like to appoint a proxy to lodge a Proxy Form prior to Saturday, 2 November 2024 at 2:00pm (AEDT) (**Proxy Cut-Off Time**). Please refer to the accompanying Proxy Form for further details on how to appoint a proxy.

Shareholders are strongly urged to appoint the Chair as their proxy. Shareholders can complete the Proxy Form to provide specific instructions on how a Shareholder's vote is to be cast on each item of business, and the Chair must follow your instructions. Lodgement instructions (which include the ability to lodge proxies online) are set out in the Proxy Form attached to the Notice. If a person other than the Chair is appointed as proxy, the proxy will revert to the Chair in the absence of the appointed proxy holder's attendance at the Meeting.

(d) **Corporate Representative**

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

(e) **How the Chairperson will vote undirected proxies**

Subject to the restrictions set out below, the Chairperson of the Meeting intends to vote all undirected proxies on, and in favour of, all of the proposed Resolutions.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

(f) **Voting Exclusion Statements:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below or on behalf of the following persons:

Resolution 1 – Ratification of issue of Shares	A person who participated in the issue or an associate of that person or those persons.
Resolutions 3 to 5 – Approval to issue Shares to Directors	By or on behalf of Michael Norster (Resolution 3), Nicholas Smedley (Resolution 4) or Angus Washington (Resolution 5) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
Resolutions 2, 6, 7 and 12 Approval of issue of Shares and Options	By or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or any of their respective associates.
Resolutions 9 to 11 – Approval to issue Options to Directors	By or on behalf of Michael Norster (Resolution 9), Nicholas Smedley (Resolution 10) or Angus Washington (Resolution 11) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

The above voting exclusions do 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, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote, 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:
- o 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
 - o the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

(g) Proxy Voting prohibition

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 3, 4, 5, 9, 10, and 11 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; 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 Company's Key Management Personnel.

(h) Enquiries

Shareholders are invited to contact the Company Secretary, Todd Perkinson on (03) 8360 3321 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

1. Resolution 1: Ratification of issue of Tranche 1 Placement Shares

(a) Background

The Company announced that it had received firm commitments from unrelated sophisticated, professional and other exempt investors for a placement of 320,000,000 fully paid ordinary shares at an issue price of \$0.005 (0.5 cents) per Placement Share to raise \$1,600,000 before costs. Due to strong demand from existing and new institutional investors including a substantial investment from a US HNW individual, a great endorsement of the company's US growth strategy, as such the Company agreed to accept additional subscriptions of \$1,000,000 pursuant to the Placement bringing the total amount raised to \$2,600,000 (before costs) (**Placement**) via the issue of 520,000,000 fully paid ordinary shares (**Placement Shares**).

On 13 August 2024 the Company issued 198,700,000 Placement Shares utilising the Company's existing placement capacity under ASX Listing Rule 7.1 and 7.1A (**Tranche 1 Placement Shares**).

Tranche 2 comprises 191,300,000 Shares (**Tranche 2 Placement Shares**) that are to be issued subject to shareholder approval. Shareholder approval for the issue of the Tranche 2 Placement Shares is being sought under Resolution 2 of this Notice.

Non-executive directors, Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington (and/or their nominee(s)) have agreed to participate in the Placement and subscribe for an aggregate of \$650,000 being 130,000,000 Placement Shares. Shareholder approval for the issue of these Placement Shares to the non-executive directors is being sought under Resolutions 3, 4 and 5 of this Notice.

Resolution 1 seeks shareholder approval to ratify the prior issue of 198,700,000 Tranche 1 Placement Shares to unrelated sophisticated, professional and other exempt investors.

(b) ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions including ASX Listing Rule 7.1, issue or agree to issue during any twelve (12) month period any Equity Securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities, or an agreement to issue securities, made pursuant to ASX Listing Rule 7.1 (provided the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued or agreed to be issued with shareholder approval for the purposes of ASX Listing Rule 7.1.

The Company seeks approval under ASX Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under ASX Listing Rule 7.1.

If Shareholders approve Resolution 1, the 198,700,000 Tranche 1 Placement Shares the subject of Resolution 1 will no longer use the placement capacity available to the Company under Listing Rule 7.1. If Shareholders do not approve Resolution 1, the 198,700,000 Tranche 1 Placement Shares the subject of Resolution 1 will continue to use the placement capacity available to the Company under Listing Rule 7.1.

(c) Technical information required by Listing Rule 7.5

In compliance with Listing Rule 7.5, the Company provides the following information:

<i>Number of securities issued</i>	198,700,000 Tranche 1 Placement Shares.
<i>Fixed issue price per security</i>	The Tranche 1 Placement Shares were issued at a price of \$0.005 per Share.
<i>Recipients of issue</i>	The Company issued the Tranche 1 Placement Shares the subject of Resolution 1 to unrelated sophisticated, professional and other exempt investors identified by the Company.

There were no related parties, key management personnel, substantial holders, advisor or an associate of these persons who was issued more than 1% of the issued capital of the Company through this issue.

Terms of securities

The Tranche 1 Placement Shares are fully paid ordinary shares. The Tranche 1 Placement Shares issued rank equally with other existing fully paid ordinary shares in the Company.

Use of funds raised

\$400,000 of the funds raised under the Tranche 1 Placement were applied towards the upfront cash consideration payable under the Acquisition. The remaining funds will be applied towards working capital requirements.

(d) Voting

Some voters may not be allowed to vote on the Resolution. Please refer to the voting exclusion statement in the Notice.

(e) Board recommendation

The Board believes that Resolution 1 is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of this Resolution. The Chairperson of the Meeting intends to vote undirected proxies in favour of this Resolution.

2. Resolution 2: Approval for Issue of Tranche 2 Placement Shares

(a) Background

On 29 July 2024, the Company announced a Placement the full details of which are outlined in Resolution 1 of this Notice.

Resolution 2 seeks the required Shareholder approval for the proposed issue of 191,300,000 Tranche 2 Placement Shares to unrelated professional and sophisticated investors.

(b) Listing Rule 7.1

As mentioned above, 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.

The effect of Resolution 2 will be to allow the Company to issue the Tranche 2 Placement Shares during the period of 3 months after the Meeting without using the Company's 15% Placement Capacity.

The proposed issue of the Tranche 2 Placement Shares does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the Company's 15% Placement Capacity. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded in calculating the Company's 15% Placement Capacity (and, if the relevant Shareholder approval is held at the time, 10% Placement Capacity), effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares, will not receive \$956,500 of funds that would have been raised and the Company may need to seek an alternative means of raising capital.

(c) Technical information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Tranche 2 Placement Shares:

Number of securities to be issued 191,300,000 Tranche 2 Placement Shares.

Fixed issue price per security The Tranche 2 Placement Shares will be issued at a price of \$0.005 per Share.

<i>Timing of Issue</i>	The Tranche 2 Placement Shares will be allotted and issued as soon as practicable after the Meeting, subject to Shareholder approval, and in any event no later than 3 months after the date of the Meeting.
<i>Recipients of issue</i>	The Company will issue the Tranche 2 Placement Shares the subject of Resolution 2 to unrelated sophisticated, professional and other exempt investors identified by the Company. There are no related parties, key management personnel, substantial holders, advisor or an associate of these persons who will be issued more than 1% of the issued capital of the Company through this issue.
<i>Terms of securities</i>	The Tranche 2 Placement Shares are fully paid ordinary shares. The Placement Shares issued rank equally with other existing fully paid ordinary shares in the Company.
<i>Use of funds raised</i>	The funds raised under Tranche 2 of the Placement are to be applied towards working capital requirements.

(d) Voting

Some voters may not be allowed to vote on the Resolution. Please refer to the voting exclusion statement in the Notice.

(e) Board recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 2.

3. Resolutions 3, 4 and 5: Approval of Issue of Placement Shares to Directors of the Company

(a) Background

On 29 July 2024, the Company announced a Placement the full details of which are outlined in Resolution 1 of this Notice.

Resolutions 3, 4 and 5 seek the required Shareholder approval for the proposed issue and allotment of an aggregate of 130,000,000 Placement Shares to non-executive directors of the Company, Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington (and/or their nominee(s)) pursuant to their participation in the Placement on the same terms as unrelated investors.

The consideration for the Placement Shares will be satisfied by payment of cash consideration. The issue of Shares was agreed to be settled through the issue of shares by Directors to show their commitment to the Company and to conserve cash resources. The Shares will be issued in the following proportions, subject to shareholder approval:

Director	Total Consideration	Total Shares Subscribed
Nicholas Smedley	\$328,000	65,600,000
Michael Norster	\$250,000	50,000,000
Angus Washington	\$72,000	14,400,000
Total	\$650,000	130,000,000

(b) Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to any of the following persons without the approval of its Shareholders:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);

- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5).

Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington are related parties of the Company by virtue of being Directors. Shareholder approval pursuant to Listing Rule 10.11 is therefore required unless an exception applies. It is the view of the Board that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares as approval is being sought under Listing Rule 10.11. Accordingly, the issue of the Shares to Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington (or their respective nominees) will not be included in the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

The effect of Shareholders passing Resolutions 3, 4 and 5 will be to allow the Company to issue the Placement Shares, to Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington. The issue of Placement Shares under Resolutions 3, 4 and 5 will also effectively increasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval for the 12 month period following the issue of the Shares.

The effect of Shareholders passing Resolutions 3, 4 and 5 will be to allow the Company to issue the Placement Shares in respect of the Resolutions approved by Shareholders. The issue of Shares under the Resolutions passed by Shareholders will also effectively increasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval for the 12 month period following the issue of the Shares. The Company will not be able to proceed with the issue of Placement Shares in respect of the Resolutions not passed by Shareholders and will not receive the funds that would have been raised.

If Resolutions 3, 4 and 5 are not passed, the Company will not be able to proceed with the issue of the Placement Shares and will not receive the funds that would have been raised.

(c) Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Shares under Resolutions 3, 4 and 5:

<i>Number of securities to be issued</i>	<p>Resolution 3 – 50,000,000 Placement Shares to Mr Michael Norster, a Director of the Company (and/or his nominee(s));</p> <p>Resolution 4 – 65,600,000 Placement Shares to Mr Nicholas Smedley, a Director of the Company (and/or his nominee(s)); and</p> <p>Resolution 5 – 14,400,000 Placement Shares to Mr Angus Washington, a Director of the Company (and/or his nominee(s));</p>
<i>Fixed issue price per security</i>	The Placement Shares will be issued at a price of \$0.005 per Share.
<i>Timing of Issue</i>	The Placement Shares will be allotted and issued as soon as practicable after the Meeting, subject to Shareholder approval, and in any event no later than one month after the date of the Meeting.
<i>Recipients of issue</i>	<p>Resolution 3 – 50,000,000 Placement Shares to Mr Michael Norster, a Director of the Company (and/or his nominee(s));</p> <p>Resolution 4 – 65,600,000 Placement Shares to Mr Nicholas Smedley, a Director of the Company (and/or his nominee(s)); and</p> <p>Resolution 5 – 14,400,000 Placement Shares to Mr Angus Washington, a Director of the Company (and/or his nominee(s));</p>

ASX Listing Rule 10.11 Category

Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington fall into the category stipulated by Listing Rule 10.11.1 by virtue of being Directors of the Company.

Terms of securities

The Placement Shares are fully paid ordinary shares. The Placement Shares issued rank equally with other existing fully paid ordinary shares in the Company.

Use of funds raised

The funds raised under are to be applied towards working capital requirements.

(d) Voting

Some voters may not be allowed to vote on Resolutions 3, 4 or 5. Please refer to the voting exclusion statement in the Notice.

(e) Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of the Placement Shares pursuant to Resolutions 3 to 5 (which are types of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

The non-conflicted Directors of the Company for each respective Resolution being:

- (a) Resolution 3 – Mr Angus Washington and Mr Nicholas Smedley;
- (b) Resolution 4 – Mr Angus Washington and Mr Michael Norster; and
- (c) Resolution 5 – Mr Angus Washington and Mr Angus Washington; and

carefully considered the issue of Placement Shares to Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington and formed the view that the giving of this financial benefit is on arm's length terms, as the securities are proposed to be issue on the same terms as offered to non-related parties of the Company pursuant to the Placement.

Accordingly, the non-conflicted Directors of the Company believe that the issue of Placement Shares to Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington fall within the "arm's length terms" exception as set out in section 210 of the Corporations Act and relies on this exception for the purposes of Resolutions 3, 4 and 5. Therefore, the proposed issue of the Placement Shares requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Notwithstanding the above, and although no Director of the Company participated in the decision making process in respect of securities proposed to be issued to them, the Directors of the Company acknowledge that Resolutions 3, 4 and 5 separately relate to an issue of securities to a majority of the Directors of the Company. Accordingly, the Directors of the Company propose that Resolutions 3, 4 and 5 each also be put to Shareholders for the purpose of section 195(4) of the Corporations Act such that the Shareholders of the Company determine whether the named related parties will be issued the securities the subject of Resolutions 3, 4 and 5.

(f) Board Recommendation

The Directors (with Mr Michael Norster abstaining) recommend that shareholders vote in favour of Resolution 3.

The Directors (with Mr Nicholas Smedley abstaining) recommend that shareholders vote in favour of Resolution 4.

The Directors (with Mr Angus Washington abstaining) recommend that shareholders vote in favour of Resolution 5.

4. Resolution 6: Approval for Issue of Consideration Shares

(a) **Background**

On 29 July 2024, the Company announced that it proposed acquiring 100% of the issued capital of Oliver Grace Pty Ltd (**Oliver Grace**) from the shareholders of Oliver Grace (**Vendors**). The acquisition by the Company of 100% of the issued capital of Oliver Grace is referred to herein as the **Transaction**.

Oliver Grace is a leading marketing agency based in Melbourne, Victoria, specialising in digital product design and development, brand strategy, and content creation.

Founded by Bonnie Borland and Nicholas Lehrain, the business has provided services to major corporations and household names like Bunnings, Girls in Tech, JB-HiFi and Nestle. Each of Bonnie and Nicholas have agreed to remain in the business post-Acquisition for at least two years to further grow and develop its potential.

Oliver Grace was engaged by the AD1 business to review and provide guidance on the AD1 group brand and positioning strategy over the last 6-months. During this time both organisations gained deep insights into services and strategic direction of the other. By combining businesses, the AD1 directors believe both companies will benefit from an enlarged team with an aligned and focused vision for growth which will deliver our strategic objectives and intrinsic value for all shareholders.

AD1 believe that there are significant synergistic cost savings and conversely revenue growth opportunities by bringing both businesses together. AD1 has delivered, over the FY24 year, significant cost savings within the business whilst maintaining revenue growth. The directors believe this transaction signifies the strength of AD1's brand to attract an award winning, well aligned and EPS accretive business into the group.

The benefits that will accrue from the transaction are multi-faceted, namely:

1. new organic revenue opportunities with both products of the existing AD1 platforms;
2. the re-positioning and rebranding all external assets with refreshed messaging and educational materials for new and existing customers;
3. reduced yearly group external advisor costs by bringing such functions in-house; and
4. with the Oliver Grace team being a group of highly experienced staff who have all assisted in creating an award-winning agency, delivering for over 150+ customers over the last 4-years, the team will bring new and fresh ideas and only builds greater depth in the AD1 talent pool.

The consideration payable by the Company to the Vendors under the Transaction comprises in aggregate:

- (a) upfront cash consideration of \$400,000;
- (b) within 5 business days of the Company obtaining shareholder approval under Chapter 7 of the ASX listing rules, an issue of the number of fully paid ordinary shares in AD1 equal to a value of \$400,000 based on a share price equal to the greater of the:
 - (i) 5-day VWAP of Shares for the five trading days up to the date of completion of the Acquisition (**Completion Date**), being \$0.00821 (48,721,072 shares); and
 - (ii) the price offered to investors under AD1's most recent private placement (if any);

(Consideration Shares)

- (c) deferred cash consideration of \$275,000, to paid on the first anniversary of the Completion Date;
- (d) the deferred issue of Shares (**Deferred Shares**) on the first anniversary of the Completion Date equal to a value of \$250,000 based on a share price equal to the greater of the:
 - (i) 5-day VWAP of Shares for the five trading days up to first anniversary of the Completion Date; and
 - (ii) the price offered to investors under AD1's most recent private placement (if any); and
- (e) subject to achieving certain targets, an earnout payment (**Earnout Payment**) of up to \$325,000 in cash and the issue of Shares (**Earn Out Shares**) equal to a value of \$350,000 based on a share price equal to the greater of:
 - (i) 5-day VWAP of Shares for the five trading days up to the final date covered by the applicable earn out accounts; and

- (ii) the price offered to investors under AD1's most recent private placement (if any).

The Vendors will only receive the Earnout Payment if Oliver Grace's revenue exceeds \$2,500,000 and its EBITDA is at least 20% of revenue over a rolling 12-month period between the Completion Date and the fourth anniversary of the Completion Date.

Each tranche of Shares issued to the Sellers as consideration under the Transaction will be subject to voluntary escrow restrictions (and holding locks) until the second anniversary of the Completion Date.

Completion of the acquisition occurred on 8 August 2024.

(b) ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

If shareholders approve Resolution 6, the Company will be able to issue the Consideration Shares without reducing its ASX Listing Rule 7.1 placing capacity. If shareholders do not approve Resolution 6, then the Company will need to issue the Consideration Shares pursuant to ASX Listing Rule 7.1 and will have less placing capacity available to it.

NB: The Company has not yet sought shareholder approval to issue the Deferred Shares or the Earn Out Shares because it is not presently able to ascertain the number of shares that will need to be issued because the Company does not know what the Company's share price will be in 12 months time. However, given the value of the Deferred Shares and the Earn Out Shares is relatively small compared to the Company's market capitalisation, the Company will be able to issue the Deferred Shares, and if it is required to issue the Earn Out Shares it will also be able to issue those shares under ASX Listing Rule 7.1 without shareholder approval (on the basis that its ASX Listing Rule 7.1 placing capacity will have reset by the date on which it will/may be required to issue the Deferred Shares and Earn Out Shares).

(c) Technical information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Consideration Shares:

<i>Number of securities to be issued</i>	The number of Shares equal to a value of \$400,000 based on a share price equal to the greater of the 5-day VWAP of Shares for the five trading days up to the date of completion of the Acquisition (Completion Date), being \$0.00821 (48,721,072 shares)
<i>Issue price per security</i>	The Consideration Shares will be issued at a deemed price equal to the greater of the 5-day VWAP of Shares for the five trading days up to the date of completion of the Acquisition (Completion Date) and the price offered to investors under AD1's most recent private placement (being \$0.005 per Share).
<i>Timing of Issue</i>	The Consideration Shares will be allotted and issued within 5 business days after the Meeting, subject to Shareholder approval, and in any event no later than 3 months after the date of the Meeting.
<i>Recipients of issue</i>	The Company will issue the Consideration Shares to the shareholders of Oliver Grace.
<i>Terms of securities</i>	The Consideration Shares are fully paid ordinary shares. The Consideration Shares issued rank equally with other existing fully paid ordinary shares in the Company. The Consideration Shares will be subject to voluntary escrow restrictions (and holding locks) until the second anniversary of the Completion Date.
<i>Purpose of the Issue</i>	The Consideration Shares are being issued as part consideration for the acquisition by the Company of 100% of the issued capital of Oliver Grace. No funds will be raised pursuant to the issue of Shares.
<i>Summary of Agreement to Issue</i>	The Consideration Shares are being issued pursuant to a binding Share Purchase Agreement between the Company and Oliver Grace Pty Ltd ACN

638 080 476. A summary of the terms of the Agreement are provided above in Resolution 6 of this Notice.

(f) Voting

Some voters may not be allowed to vote on the Resolution. Please refer to the voting exclusion statement in the Notice.

(g) Board recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 6.

5. Resolution 7: Approval for Issue of Shares

(a) Background

The Company previously entered into a secured loan facility agreement with Pure Asset Management Pty Ltd (**Pure**) to borrow \$5 million at an interest rate of 9.95% per annum over a 4-year term with 83,333,333 detached warrant shares which settled on 24 December 2021 (**Pure Facility**). Under the terms of the Pure Facility, on or before 17 December 2025 (**End Date**) Pure may elect to convert its warrant shares into ordinary shares in AD1 on a 1 for 1 basis. Pure is not entitled to any additional payments on account for this conversion. If Pure does not convert all warrant shares before the End Date, the balance of the amount owing under the Pure Facility must be repaid on 24 December 2025.

AD1 has received notice from Pure that it wishes to participate in the capital raise to an amount equal to \$450,000 into ordinary shares in AD1. The parties have agreed the placement will be calculated at the same price share as that offered under the Placement (being \$0.005 per share). Accordingly, subject to shareholder approval pursuant to Resolution 7, AD1 proposes to issue a further 90,000,000 Shares to Pure.

(b) ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 months period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

If shareholders approve Resolution 7, the Company will be able to issue the Shares to Pure. If shareholders do not approve Resolution 7, the Company will not be able to issue the Shares and will need to consider alternate methods and will not be able to accept the placement funds.

(c) Technical information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Consideration Shares:

<i>Number of securities to be issued</i>	90,000,000 Shares
<i>Issue price per security</i>	The Shares will be issued at a deemed price of \$0.005 per Share.
<i>Timing of Issue</i>	The Shares will be allotted and issued as soon as practicable after the Meeting, subject to Shareholder approval, and in any event no later than 3 months after the date of the Meeting.
<i>Recipients of issue</i>	The Company will issue the Shares to Pure Asset Management Pty Ltd or its nominees/s.
<i>Terms of securities</i>	The Shares are fully paid ordinary shares which rank equally with other existing fully paid ordinary shares in the Company.
<i>Purpose of the Issue</i>	The Shares are being issued through a placement. No funds will be raised pursuant to the issue of Shares.

(d) Voting

Some voters may not be allowed to vote on the Resolution. Please refer to the voting exclusion statement in the Notice.

(e) Board recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 7.

6. Resolution 8 – Consolidation of Share Capital

(a) Background

Resolution 8 seeks Shareholder approval to undertake a consolidation of the number of Shares on issue by consolidating the share capital of the Company on a ten (10) for one (1) basis (**Consolidation**).

(b) Regulatory requirements

Section 254H(1) of the Corporations Act provides that the Company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

This section of the Explanatory Statement provides the information required by Listing Rule 7.20 in relation to the Consolidation.

Purpose of the Consolidation The Company currently has a large number of Shares on issue. The Consolidation will result in a more appropriate and effective capital structure for the Company.

Fractional entitlements Where the Consolidation results in a Shareholder's account having an entitlement to a fraction of a Share, that fraction will be rounded up to the nearest whole number of Shares.

If the Company, in its absolute discretion, forms the view that a Shareholder has been party to any shareholding splitting or division to obtain an advantage from the rounding of fractional entitlements, then the Company may take appropriate action, including (without limitation) the disregarding of the splitting or division, for the purposes of dealing with fractional entitlements.

Effect of Consolidation

- (a) The Consolidation will take effect from Thursday, 31 October 2024.
- (b) The Consolidation will reduce the number of Shares on issue from 1,097,348,377 Shares (as at 25 September 2024) to approximately 109,734,838 Shares.
- (c) The Consolidation will not materially change the proportionate interest that each Shareholder holds in the Company, because the consolidation ratio will apply (subject to rounding) to all present Shares.
- (d) The Options issued by the Company will, in accordance with their terms, be similarly consolidated in number on a ten (10) for one (1) basis with the relevant strike price for each Option being increased by a factor of ten (10). This will result in the number of Options on issue in the Company being reduced from approximately 195,050,000 Options (as at 25 September 2024) to 19,505,800 Options.

Holding Statements Current holding statements for Shares in the Company will be replaced by new holding statements showing the number of Shares held post the Consolidation.

From the date of the Consolidation, all holding statements for previously quoted securities will cease to have effect except as evidence of entitlement to a certain number of securities on a post-Consolidation basis. It is the

responsibility of each securityholder to check the number of securities held prior to disposal.

Taxation

It is not considered that any taxation implications will arise from the Consolidation. However, Shareholders and Optionholders are advised to seek their own tax advice on the effect of the Consolidation and neither the Company, the Directors, nor its advisors, accept any responsibility for the individual taxation implications arising from the Consolidation.

As the Company is listed on ASX, the market price of Shares is of course impacted by a number of factors, meaning that, over time, the share price may increase or decrease, and Directors can give no guarantees concerning the share price.

The indicative timetable for the Consolidation is as follows:

Event	Indicative date
Meeting held, including to approve Consolidation under Resolution 8	Monday, 4 November 2024
Company notifies ASX that Shareholders have approved the Consolidation	Monday, 4 November 2024
Last day for trading in pre-Consolidation Shares	Tuesday, 5 November 2024
Trading in Shares post-Consolidation on a deferred settlement basis starts	Wednesday, 6 November 2024
Record Date	Thursday, 7 November 2024
Last day for Company to register Share transfers on a pre-Consolidation basis	Thursday, 7 November 2024
First day for Company to register share transfers post-Consolidation and first day for Company to issue holding statements for Shares on a consolidated basis	Friday, 8 November 2024
Company announces to ASX that despatch of the new holding statements has occurred	Friday, 15 November 2024
Deferred settlement trading ends	Friday, 15 November 2024
Normal trading in Shares post-Consolidation starts	Monday, 18 November 2024

The Board reserves the right to change the above indicative timetable without requiring any disclosure to Shareholders subject to the ASX Listing Rules and all applicable law. The above timetable is indicative only.

(c) Board Recommendation

The Board recommends that Shareholders vote in favour of Resolution 8. The Chairman of the Meeting intends to vote undirected proxies in favour of this Resolution.

7. Resolutions 9 to 11 – Approval of the issue of unlisted Options to Directors (Michael Norster, Nicholas Smedley and Angus Washington)

(a) Background

Resolutions 9 to 11 are proposed to obtain Shareholder approval for the purposes of ASX Listing Rule 10.11 and section 195(4) of the Corporations Act for the issue of a total of 200,000,000 unlisted Options in the Company to Michael Norster, Nicholas Smedley and Angus Washington, each being Directors of the Company, and the subsequent issue of fully paid ordinary shares upon exercise of the unlisted Options.

Subject to Shareholder approval, it is proposed that the Options are issued as follows:

- (a) Resolution 9 – 50,000,000 Options to Michael Norster expiring on the date that is 4 years from the date of issue;
- (b) Resolution 10 – 100,000,000 Options to Nicholas Smedley expiring on the date that is 4 years from the date of issue; and
- (c) Resolution 11 – 50,000,000 Options to Angus Washington expiring on the date that is 4 years from the date of issue,

(together, **Director Options**).

The purpose of the Director Options is to remunerate and incentivise Mr Michael Norster, Mr Nicholas Smedley and Mr Angus Washington for the benefit of the Company and Shareholders. This comes through having an appropriately struck option exercise price and vesting criteria reflective of the Company's future growth.

The key terms of the Director Options are set out in Annexure A.

(b) Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not agree to issue or agree to issue Equity Securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a Director to the Board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its Shareholders,

unless it obtains the approval of its Shareholders.

The issue of Director Options under Resolutions 9 to 11 fall within Listing Rule 10.11.1 (or where a Director elects for his nominee to be issued the Options, Listing Rule 10.11.4) and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

(c) Listing Rule 7.1

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. This rule does not apply in respect of an issue made with the approval of holders of ordinary securities under Listing Rule 10.11. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

(d) Disclosure provided for Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed and issue 50,000,000 Director Options to Michael Norster as a way to incentivise his performance. If Resolution 9 is not passed, the Company will not be able to proceed with the issue of 50,000,000 Director Options to Michael Norster. Accordingly, the Company may be required to implement alternative arrangements to remunerate Michael Norster including paying a cash bonus or providing other forms of cash based remuneration in recognition of his service thereby reducing the available cash resources of the Company.

If Resolution 10 is passed, the Company will be able to proceed and issue 100,000,000 Director Options to Nicholas Smedley as a way to incentivise his performance. If Resolution 10 is not passed, the Company will not be able to proceed with the issue of 100,000,000 Director Options to Nicholas Smedley. Accordingly, the Company may be required to implement alternative arrangements to remunerate Nicholas Smedley including paying a cash bonus or providing other forms of cash based remuneration in recognition of his service thereby reducing the available cash resources of the Company.

If Resolution 11 is passed, the Company will be able to proceed and issue 50,000,000 Director Options to Angus Washington as a way to incentivise his performance. If Resolution 11 is not passed, the Company will not be able to proceed with the issue of 50,000,000 Director Options to Angus Washington. Accordingly, the Company may be required to implement alternative arrangements to remunerate Angus Washington including paying a cash bonus or providing other forms of cash based remuneration in recognition of his service thereby reducing the available cash resources of the Company.

(e) Technical Information required by Listing Rule 10.13 – Resolution 9

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 9:

Names of the persons to whom Options will be issued	Michael Norster (or his nominee).
Applicable category of Listing Rule 10.11	If Michael Norster elects to have the Options granted to him personally, being a Director of the Company, Listing Rule 10.11.1 applies. If Michael Norster elects to have the Options granted to his nominee, such nominee being an Associate of a Director of the Company, Listing Rule 10.11.4 applies.
Number and class of securities	50,000,000 Director Options.
Exercise Price	Director Options will have an exercise price as follows: <ul style="list-style-type: none"> - 25,000,000 with an exercise price of \$0.015 (1.5 cents) per Option on a pre-Consolidation basis; and - 25,000,000 with an exercise price of \$0.03 (3 cents) per Option on a pre-Consolidation basis.
A summary of the material terms of the Options	Please refer to Annexure A for a summary of the material terms of the Director Options proposed to be granted pursuant to this Resolution.
The date or dates on which the Options will be issued	Within one month of the date of this Meeting.
Price or other consideration to be received for the issue	The Options will be granted for nil consideration. The exercise price for the Options is set out in Annexure A.
Purpose of the issue, including intended use of any funds raised by the issue	To incentivise and remunerate Mr Michael Norster in his position as Director of the Company. Funds will only be received by the Company if and when the Options are exercised and will be used on general working capital purposes.
Voting exclusion statement	A voting exclusion statement is included in the Notice.

(f) Technical Information required by Listing Rule 10.13 – Resolution 10

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 10:

Names of the persons to whom Options will be issued	Nicholas Smedley (or his nominee).
Applicable category of Listing Rule 10.11	If Nicholas Smedley elects to have the Options granted to him personally, being a Director of the Company, Listing Rule 10.11.1 applies. If Nicholas Smedley elects to have the Options granted to his nominee, such nominee being an Associate of a Director of the Company, Listing Rule 10.11.4 applies
Number and class of securities	100,000,000 Director Options.
Exercise Price	Director Options will have an exercise price as follows: <ul style="list-style-type: none"> - 50,000,000 with an exercise price of \$0.015 (1.5 cents) per Option on a pre-Consolidation basis; and - 50,000,000 with an exercise price of \$0.03 (3 cents) per Option on a pre-Consolidation basis.
A summary of the material terms of the Options	Please refer to Annexure A for a summary of the material terms of the Director Options proposed to be granted pursuant to this Resolution.
The date or dates on which the Options will be issued	Within one month of the date of this Meeting.
Price or other consideration to be received for the issue	The Options will be granted for nil consideration. The exercise price for the Options is set out in Annexure A.
Purpose of the issue, including intended use of	To incentivise and remunerate Mr Nicholas Smedley in his position as Director of the Company. Funds will only be received by the Company if and when the Options are exercised and will be used on general working capital purposes.

any funds raised by the issue	
Voting exclusion statement	A voting exclusion statement is included in the Notice.

(g) Technical Information required by Listing Rule 10.13 – Resolution 11

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 11:

Names of the persons to whom Options will be issued	Angus Washington (or his nominee).
Applicable category of Listing Rule 10.11	If Angus Washington elects to have the Options granted to him personally, being a Director of the Company, Listing Rule 10.11.1 applies. If Angus Washington elects to have the Options granted to his nominee, such nominee being an Associate of a Director of the Company, Listing Rule 10.11.4 applies
Number and class of securities	50,000,000 Director Options.
Exercise Price	Director Options will have an exercise price as follows: <ul style="list-style-type: none"> - 25,000,000 with an exercise price of \$0.015 (1.5 cents) per Option on a pre-Consolidation basis; and - 25,000,000 with an exercise price of \$0.03 (3 cents) per Option on a pre-Consolidation basis.
A summary of the material terms of the Options	Please refer to Annexure A for a summary of the material terms of the Director Options proposed to be granted pursuant to this Resolution.
The date or dates on which the Options will be issued	Within one month of the date of this Meeting.
Price or other consideration to be received for the issue	The Options will be granted for nil consideration. The exercise price for the Options is set out in Annexure A.
Purpose of the issue, including intended use of any funds raised by the issue	To incentivise and remunerate Mr Angus Washington in his position as Director of the Company. Funds will only be received by the Company if and when the Options are exercised and will be used on general working capital purposes.
Voting exclusion statement	A voting exclusion statement is included in the Notice.

The relevant Directors' current remuneration and Shares currently held are as follows:

Director	Director Remuneration (Current Financial Year)	Securities currently held (before approval of issue of Options)
Michael Norster	\$60,000 plus superannuation	209,354,069 Shares 66,971,496 Options
Nicholas Smedley	\$115,000 plus superannuation	156,037,116 Shares 66,971,496 Options
Angus Washington	\$36,000 plus superannuation	Nil

(h) Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act regulates the provision by a public company of a "financial benefit" to a "related party". Section 208 of the Corporations Act prohibits:

- (a) a public company giving a financial benefit to a related party; or
- (b) a company which is controlled by the public company giving a financial benefit to a related party, unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined in the Corporations Act in broad terms and includes a company issuing shares and granting options. A "related party" includes a director, an entity over which a director has control and an entity which believes, or has reasonable grounds to believe, that it is likely to become a related party in the future. For the purposes of Chapter 2E of the Corporations Act, the "relevant person" is a related party of the Company.

The non-conflicted Directors of the Company for each respective Resolution being:

- (a) Resolution 9 - Nicholas Smedley and Angus Washington;
- (b) Resolution 10 - Michael Norster and Angus Washington; and
- (c) Resolution 11 - Michael Norster and Nicholas Smedley,

carefully considered the issue of Director Options and formed the view that that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Options under Resolutions 9 to 11 because the financial benefit is, in accordance with section 211(1) of the Corporations Act:

- (a) remuneration to a related party as an officer of a public company; and
- (b) reasonable given:
 - i. the circumstances of the public company or entity giving the remuneration; and
 - ii. the related party circumstances (including the responsibilities involved in the office).

Therefore, the proposed issue of the Director Options requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Notwithstanding the above, and although no Director of the Company participated in the decision-making process in respect of Director Options proposed to be issued to them, the Directors of the Company acknowledge that Resolutions 9 to 11 separately relate to an issue of securities to a majority of the Directors of the Company. Accordingly, the Directors of the Company propose that Resolutions 9 to 11 each also be put to Shareholders for the purpose of section 195(4) of the Corporations Act such that the Shareholders of the Company must determine whether the named related parties will be issued the Director Options the subject of Resolutions 9 to 11.

(i) Recommendation

The Directors (with Mr Michael Norster abstaining) recommend that shareholders vote in favour of Resolution 9.
The Directors (with Mr Nicholas Smedley abstaining) recommend that shareholders vote in favour of Resolution 10.
The Directors (with Mr Angus Washington abstaining) recommend that shareholders vote in favour of Resolution 11.

8. Resolution 12: Grant of Options to Mr Todd Perkinson

(a) Background

Resolution 12 seeks the required Shareholder approval for the proposed grant of 50,000,000 unlisted Options to Mr Todd Perkinson (or his nominee), Chief Executive Officer of the Company.

(b) Listing Rule 7.1

As mentioned above, 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.

The effect of Resolution 12 will be to allow the Company to issue the unlisted Options during the period of 3 months after the Meeting without using the Company's 15% Placement Capacity.

The proposed issue of the unlisted Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the Company's 15% Placement Capacity. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 12 is passed, the Company will be able to proceed with the grant of unlisted Options to Mr Todd Perkinson. In addition, the issue of the unlisted Options will be excluded in calculating the Company's 15% Placement Capacity (and, if the relevant Shareholder approval is obtained at the time, 10% Placement Capacity), effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 12 is not passed, the Company will not be able to proceed with the issue of unlisted Options.

(c) Technical information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, the following information is provided in relation to the proposed issue of the unlisted Options to Todd Perkinson (or his nominee):

<i>Number of securities to be issued</i>	50,000,000 unlisted Options
<i>Fixed issue price per security</i>	There is no issue price for the unlisted Options
<i>Exercise price</i>	25,000,000 with an exercise price of \$0.015 (1.5 cents) per Option on a pre-Consolidation basis; and 25,000,000 with an exercise price of \$0.03 (3 cents) per Option on a pre-Consolidation basis.
<i>Timing of Issue</i>	The unlisted Options will be allotted and issued as soon as practicable after the Meeting, subject to Shareholder approval, and in any event no later than 3 months after the date of the Meeting.
<i>Recipients of issue</i>	The Company will issue the unlisted Options the subject of Resolution 12 to Mr Todd Perkinson (or his nominee). There are no related parties, key management personnel, substantial holders, advisor or an associate of these persons who will be issued more than 1% of the issued capital of the Company through this issue.
<i>Terms of securities</i>	The unlisted Options have the terms as those included in Annexure A of this Notice.
<i>Use of funds raised</i>	No funds will be raised upon the issue of unlisted Options. Upon conversion of the unlisted Options, funds will be used for working capital purposes.

(d) Voting

Some voters may not be allowed to vote on the Resolution. Please refer to the voting exclusion statement in the Notice.

(e) Board recommendation

The Directors unanimously recommend that shareholders vote in favour of Resolution 12.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“AEDT” means Australian Eastern Daylight Time;

“ASX” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“ASX Settlement Operating Rules” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESSE approved securities;

“Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“Chairperson” means the person appointed to chair the Meeting of the Company convened by the Notice and Chair shall have a corresponding meaning;

“CHESSE” has the meaning in Section 2 of the ASX Settlement Operating Rules;

“Company” means AD1 Holdings Limited ABN 29 123 129 162;

“Completion Date” has the meaning as defined in the Explanatory Statement for Resolution 6;

“Consideration Shares” has the meaning as defined in the Explanatory Statement for Resolution 6;

“Consolidation” means the consolidation of the Shares in the manner described in section 6(a);

“Constitution” means the constitution of the Company as at the date of the Meeting;

“Corporations Act” means the Corporations Act 2001 (Cth);

“Director” means a Director of the Company;

“Director Options” has the meaning given under section 7 of the Explanatory Statement;

“Earnout Payment” has the meaning as defined in the Explanatory Statement for Resolution 6;

“End Date” has the meaning as defined in the Explanatory Statement for Resolution 7;

“Equity Security” has the same meaning as in the Listing Rules;

“Explanatory Statement” means the explanatory statement which forms part of the Notice;

“Financial Report” means the Extraordinary financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“Key Management Personnel” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“Listing Rules” means the Listing Rules of the ASX;

“Meeting”, “Extraordinary General Meeting” or “EGM” has the meaning given in the introductory paragraph of the Notice;

“Notice” means this Notice of Meeting including the Explanatory Statement;

“Oliver Grace” means Oliver Grace Pty Ltd ACN 638 080 476;

“Option” means an option to acquire one Share of the Company;

“Optionholder” means the holder of an Option;

“Placement” has the meaning as defined in the Explanatory Statement for Resolution 1;

“Placement Shares” has the meaning as defined in the Explanatory Statement for Resolution 1;

“Proxy Form” means the proxy form attached to the Notice;

“Pure” means Pure Asset Management Pty Ltd ACN 616 178 771;

“Pure Facility” has the meaning as defined in the Explanatory Statement for Resolution 7;

“Resolution” means a resolution referred to in the Notice;

“Section” means a section of the Explanatory Statement;

“Share” means a fully paid ordinary share in the capital of the Company;

“Shareholder” means shareholder of the Company;

“Trading Day” means a day determined by ASX to be a trading day in accordance with the Listing Rules;

“Tranche 1 Placement Shares” has the meaning as defined in the Explanatory Statement for Resolution 1;

“Tranche 2 Placement Shares” has the meaning as defined in the Explanatory Statement for Resolution 2;

“Transaction” has the meaning as defined in the Explanatory Statement for Resolution 6;


“Vendors” has the meaning as defined in the Explanatory Statement for Resolution 6;
“VWAP” means volume weighted average price.

ANNEXURE A
TERMS OF OPTIONS

Reference below to **Options** is to Director Options the subject of Resolution 9 to 11:


- (a) Each Option entitles the holder to acquire one fully paid ordinary share (**Share**) in the capital of the Company. The Company does not propose applying for quotation (listing) of the Options.
- (b) The exercise price is as specified in the Notice, being \$0.015 (1.5 cents) and \$0.03 (3 cents) (**Exercise Price**) per Option on a pre-Consolidation basis.
- (c) Each Option is exercisable at any time prior to 5:00pm Melbourne time on the date that is four years after issue of the Options (**Expiry Date**).
- (d) Unexercised Options will be forfeited on the date of cessation as a Director (or in the case of options issued under resolution 12, the date of cessation as an executive) of the Company.
- (e) Options may be exercised by providing written notice together with payment for the number of Shares in respect of which Options are exercised to the registered office of the Company.
- (f) Any Option that has not been exercised prior to the Expiry Date or cancelled in accordance with these terms shall automatically lapse.
- (g) An Option shall not be able to be exercised (and the Company will not be required to issue Shares upon such exercise) if it would be unlawful to do so.
- (h) Subject to applicable law, Options are freely transferable.
- (i) The Exercise Price is payable in full upon exercise of Options.
- (j) Where an Optionholder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.
- (k) All Shares issued upon exercise of Options will rank *pari passu* in all respect with, and have the same terms as, the Company's then issued Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX and the Company being listed on ASX at the relevant time. The Options will not give any right to participate in dividends until Shares are issued pursuant to the terms of the relevant Options.
- (l) There are no participation rights or entitlements inherent in the Options. Optionholders are not entitled to participate in new issues of securities offers to shareholders without first exercising the Option. Prior to the Expiry Date and if required by the ASX Listing Rules, the Company will send notices to Optionholders in accordance with the time limits required by the ASX Listing Rules in respect of offers of securities made to shareholders.
- (m) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- (n) Options will otherwise have the terms as required by ASX and the ASX Listing Rules.

LODGE YOUR VOTE


ONLINE
 <https://investorcentre.linkgroup.com>

BY MAIL
 AD1 Holdings Ltd
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

BY FAX
 +61 2 9287 0309

BY HAND*
 Link Market Services Limited
 Parramatta Square, Level 22, Tower 6,
 10 Darcy Street, Parramatta NSW 2150

*During business hours Monday to Friday

ALL ENQUIRIES TO
 Telephone: +61 1300 554 474

LODGEMENT OF A PROXY FORM


This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **2:00pm (AEDT) on Saturday, 2 November 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

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

ONLINE
 <https://investorcentre.linkgroup.com>

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

BY MOBILE DEVICE

 Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the

appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

- (b) return both forms together.

SIGNING INSTRUCTIONS

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

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

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

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

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

IMPORTANT INFORMATION

Link Group is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.

PROXY FORM

I/We being a member(s) of AD1 Holdings Ltd and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

Name
Email

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **2:00pm (AEDT) on Monday, 4 November 2024** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in via Zoom at:
https://us06web.zoom.us/webinar/register/WN_AIQyU2w2SqWL9YGC2HeDQA

Important for Resolutions 9, 10, 11 and 12: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 9, 10, 11 and 12, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).


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

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of issue of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Grant of Options to Mr Michael Norster	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval for Issue of Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Grant of Options to Mr Nicholas Smedley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Issue of Placement Shares to Mr Michael Norster, Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Grant of Options to Mr Angus Washington	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Issue of Placement Shares to Mr Nicholas Smedley, Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Grant of Options to Mr Todd Perkinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of Issue of Placement Shares to Mr Angus Washington, Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval for Issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval for Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Consolidation of Share Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

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

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

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

STEP 3