
ALTECH BATTERIES LIMITED
ACN 125 301 206
NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:00am (AWST)
DATE: 26 November 2024
PLACE: Altech Batteries Limited
Suite 8
295 Rokeby Road
SUBIACO WA 6008 and virtually

Shareholders are urged to vote by lodging the Proxy Form accompanying this Notice

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Mr Martin Stein, on +61 8 6168 1555.

CONTENTS PAGE

Business of the Meeting (setting out the proposed Resolutions)	5
Explanatory Statement (explaining the proposed Resolutions)	9
Glossary	20
Proxy Form	Enclosed

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am (AWST) on Tuesday, 26 November 2024 at:

Suite 8
295 Rokeby Road
SUBIACO WA 6008

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 10:00am (AWST) on Sunday, 24 November 2024.

VOTING IN PERSON

To vote in person, Shareholders are able to attend the Annual General Meeting at the time, date and place set out above.

VOTING AND ONLINE ATTENDANCE

The Company is pleased to provide Altech Batteries Ltd Shareholders with the opportunity to attend the Meeting through an online meeting platform powered by its share registry, Automic, where Shareholders will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “**register**” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the Meeting online (Registration will open 30 minutes prior to the Meeting):

- (a) Open your internet browser and go to investor.automic.com.au
- (b) Login with your username and password or click “register” if you haven’t already created an account. **Shareholders are encouraged to create an account prior to the start of the Meeting to ensure there is no delay in attending the Meeting online**
- (c) After logging in, a banner will be displayed at the top once the Meeting is open for registration. Click on “View” when this appears
- (d) Click on “**Register**” and follow the steps
- (e) Click on the URL to join the webcast where you can view and listen to the Meeting
- (f) Once the Chair of the Meeting has declared the poll open for voting click on “Refresh” to be taken to the voting screen
Select your voting direction and click “confirm” to submit your vote. Note that you cannot amend your vote after it has been submitted

For further information on the live voting process please see the Registration and Voting Guide at <https://www.automicgroup.com.au/virtual-agms/>

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, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 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 changes to the Corporations Act made in 2011 mean 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.

Further details on these changes is set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

By online voting: <https://investor.automic.com.au/#/loginsah>

By email: meetings@automicgroup.com.au

By fax: +61 2 8583 3040

By post: Automic
GPO Box 5193
Sydney NSW 2001

If a Shareholder appoints the Chairman as his or her proxy or the Chairman is appointed as the Shareholder's proxy by default and the Shareholder does not direct the Chairman as to how to vote, then the Proxy Form provides that the Altech Batteries Ltd Shareholder expressly authorises the Chairman (who is a member of the Key Management Personnel) to exercise the proxy in respect of the relevant item of business, even where the Resolution in respect of an item of business is directly or indirectly connected to the remuneration of one or more members of the Key Management Personnel or is a resolution in respect of which the Chairman has a material personal interest.

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2024 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2024.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

3. RESOLUTION 2 – RE-ELECTION OF NOMINATED DIRECTOR – DANIEL TENARDI

The Company is seeking the re-election of Mr Daniel Tenardi to continue as a non-executive Director of the Company. Mr Tenardi has in excess of 40 years' experience in the mining and minerals processing industries, including 13 years at Alcoa's alumina refinery in Kwinana, Western Australia, as well as at Alcoa's bauxite mines in the Darling Ranges of Western Australia. Accordingly, the Company proposes that Shareholders consider and, if thought fit, pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Daniel Tenardi, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Short Explanation: Mr Daniel Tenardi retires as a Director of the Company and being eligible seeks re-election as a Director of the Company under this Resolution. Each other Director of the Company supports the re-election of Mr Tenardi as a Director.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR LUKE ATKINS

The Company is seeking the re-election of Mr Atkins to continue as a non-executive Director of the Company. Mr Atkins is a qualified lawyer with considerable experience as a director of publicly listed and private companies. Mr Atkins was a founding director of Altech Batteries Limited and has served as non-executive Chairman of the Board since May 2007. Accordingly, the Company proposes that Shareholders consider and, if thought fit, pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Luke Atkins, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

Short Explanation: Mr Luke Atkins retires as a Director of the Company and being eligible seeks re-election as a Director of the Company under this Resolution. Each other Director of the Company supports the re-election of Mr Atkins as a Director.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS (21 MAY 2024)

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

“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 28,622,799 Options that were free attaching to Shares issued on 21 May 2024, with an exercise price of \$0.08 and expiring on 30 April 2026, to various investors on the terms and conditions set out in the Explanatory Statement.”

Short Explanation: On 21 May 2024, the Company announced that it had successfully raised \$3,721,000 (before costs) via a Share Purchase Plan (SPP). SPP participants were issued Shares at \$0.065 per Share which represented a ~5% premium to the price of the Company’s shares at the close of trade on the ASX on 20 May 2024. This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of 28,622,799 Options that were free attaching to the Shares to the share placement participants that were issued on 21 May 2024 under the Company’s placement capacity pursuant to ASX Listing Rule 7.1.

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue (being eligible shareholders as at the record date for the SPP) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SECURITIES (14 AUGUST 2024)

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 10,125,000 Shares and 4,562,500 Options to unrelated institutional, professional, and sophisticated investors on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue (being unrelated institutional, professional and sophisticated investors) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a 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.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES (PLACEMENT)

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 1,351,352 Shares to Spark Plus Pte Ltd, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of Spark Plus Pte Ltd (or its associates). However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a 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.

8. RESOLUTION 7 – APPROVAL TO ISSUE SECURITIES TO UNRELATED PARTIES UNDER AN INCENTIVE PLAN

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 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to issue up to maximum of 94,194,529 Securities under the employee incentive scheme titled “2024 Employee Incentive Securities Plan” (**Plan**), on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion Statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the Plan or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

Voting Prohibition Statement

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

- (a) the proxy is either:
 - (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 though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 8 – REPLACEMENT OF CONSTITUTION

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

“That, for the purposes of section 136(2) and section 648G of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”

EXPLANATORY STATEMENT

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

1. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

1.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2. FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act and the Constitution, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2024 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.altechgroup.com.

3. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

3.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

3.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

4. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS DANIEL TENARDI & LUKE ATKINS

4.1 General

ASX Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer.

In addition, clause 14.2 of the Constitution provides that at an AGM, one-third of the directors (other than the managing director) must retire from office. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

Daniel Tenardi, having held office without re-election since the Company's 2021 Annual General Meeting, retires by rotation in accordance with clause 14.2 of the Constitution and ASX Listing Rule 14.4 and, being eligible, each seeks re-election.

Luke Atkins, who has held office without re-election since the Company's 2022 Annual General Meeting, retires by rotation in accordance with clause 14.2 of the Constitution and, being eligible, seeks re-election.

4.2 Qualifications and other material directorships

Daniel Tenardi

Mr Tenardi is a highly experienced mining executive with some 40 years in the industry, including with a number of global resource industry leaders across a range of commodities, including iron ore, gold, bauxite, and copper. Mr Tenardi previously spent 13 years with Alcoa, at its bauxite mines in the Darling Range in Western Australia, and a further two years at Alcoa's Kwinana refinery. He has substantial gold mining experience, including with Roche Mining at the Kalgoorlie Superpit and at Anglo Gold Ashanti's Sunrise Dam. Mr Tenardi subsequently worked at executive level for Rio Tinto's Robe River Iron Associates and their East Pilbara Division, and was appointed as a Director of Robe River Iron Associates in the latter years of his employment with Rio Tinto.

Prior to this appointment, Mr Tenardi was Managing Director of Bauxite Resources Ltd, where he led the rapid growth of the company from its initial exploration phase, expansion of land holdings, to the commencement of trial shipments and securing supportive strategic partnerships with key Chinese partners. Mr Tenardi also held the positions of General Manager of Operations and Chief Operating Manager at CITIC Pacific Mining.

Mr Tenardi was previously a non-executive director of Grange Resources Ltd.

Luke Atkins

Mr Atkins is a lawyer by profession and one of the founders of the company. Mr Atkins brings to the board extensive experience in the areas of mining, exploration, and corporate governance. Mr Atkins is also Non-Executive Director of the successful ASX listed mining and exploration company, Bauxite Resources Ltd (BRL) (now Australian Silica Quartz Ltd). Mr Atkins formerly held the role of Executive Chairman of BRL after co-founding the company in 2007. He has played a key role in BRL third party negotiations to successfully access funding, joint venture partnerships, land and infrastructure.

Mr Atkins has had extensive experience in capital raisings and has held a number of executive and non-executive directorships of private and publicly listed companies including a number of mining and exploration companies.

4.3 Independence

If re-elected, the Board does not consider that Mr Tenardi will be an independent Director.

If re-elected, the Board does not consider that Mr Atkins will be an independent Director.

4.4 Board recommendation

The Board has considered the performances of both Mr Tenardi and Mr Atkins since their appointment to the Board and is of the view that the skills and experience of Mr Tenardi and Mr Atkins will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Tenardi and Mr Atkins and recommends that Shareholders vote in favour of Resolutions 2 and 3.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS (21 MAY 2024)

On 21 May 2024, the Company announced that it had successfully raised \$3,721,000 (before costs) via a Share Purchase Plan (**SPP**). SPP participants were issued a total of 57,246,037 Shares at \$0.065 per Share which represented a ~5% premium to the price of the Company's shares at the close of trade on the ASX on 20 May 2024. The Shares under the SPP were issued without shareholder approval, pursuant to exception 5 of Listing Rule 7.2.

This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of 28,622,799 Options that were issued free attaching to the Shares issued to participants in the SPP on 21 May 2024, under the Company's placement capacity pursuant to ASX Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Options.

5.1 ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

The issue of the Options 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 Options.

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. 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.

5.2 Technical information required by ASX Listing Rule 14.1A

If Resolution 4 is passed, the Options 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 Options.

If Resolution 4 is not passed, the Options 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 Options.

5.3 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) the Options were issued to existing Shareholders who participated in the SPP;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 28,622,799 Options were issued with an exercise price of \$0.08 and expiry date of 30 April 2026 and otherwise on the terms and conditions set out in schedule 1;
- (d) the Options were issued on 21 May 2024;
- (e) the issue price was nil per Option as they were free attaching to Shares issued at \$0.065 per share. The Company has not and will not receive any other consideration for the issue of the Shares or Options;

- (f) the purpose of the issue of the Options was to incentivise investors to participate in the Share Purchase Plan, to assist the Company to fund the CERENERGY® and Silumina Anodes™ projects as well as provide working capital;
- (g) the Options were not issued under an agreement; and
- (h) a voting exclusion statement applies to this Resolution.

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SECURITIES (PLACEMENT)

6.1 General

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the prior issue of 10,125,000 Shares to unrelated institutional, professional, and sophisticated investors at an issue price of \$0.04 per Share, together and 4,562,500 free attaching Options, pursuant to a placement to sophisticated and professional investors to raise \$405,000.

6.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 are set out in Sections 5.1 and 5.2 above.

The issue 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 the issue.

6.3 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the issue 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 the issue.

If this Resolution is not passed, the issue 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 the issue.

6.4 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
Names of persons to whom Securities were issued or the basis on which those persons were identified/selected	Unrelated professional and sophisticated investors who were identified by the Directors via their personal and professional networks, as well as via introductions from professional brokers (180 Markets Pty Ltd, SP Corporate Advisory Pty Ltd and Evolution Capital Pty Ltd). The Company confirms that no Material Persons were issued more than 1% of the issued capital of the Company.
Number and class of Securities issued	10,125,000 Shares and 4,562,500 Options were issued. The Options were issued on the basis of 1 free attaching Option for every 2 Shares subscribed for and issued (noting that one placement participant did not apply for the 500,000 free attaching Options to which they were entitled, and as such, those Options were not issued).
Terms of Securities	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the

REQUIRED INFORMATION	DETAILS
	Company's existing Shares. The Options were issued on the terms and conditions set out in Schedule 2.
Date(s) on or by which the Securities were issued	The Shares were issued on 14 August 2024. The Options were issued on 17 September 2024.
Price or other consideration the Company received for the Securities	\$0.04 per Share and nil per Option as the Options were issued free attaching with the Shares on a 1:2 basis.
Purpose of the issue, including the intended use of any funds raised by the issue	The purpose of the issue was to assist the Company to fund the CERENERGY® and Silumina Anodes™ projects as well as provide working capital.
Voting Exclusion Statement	A voting exclusion statement applies to this Resolution.
Compliance	The issue did not breach Listing Rule 7.1. The issues were made pursuant to a customary application form between the Company and each investor.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SECURITIES (17 SEPTEMBER 2024)

7.1 General

On 11 September 2024, the Company entered into an engagement letter with Spark Plus Pte Ltd, pursuant to which Spark Plus Pte Ltd would provide corporate advisory and investor relations services to the Company in connection with a 6-month roadshow ending 30 March 2025. In consideration for these services, the Company agreed to issue Spark Plus Pte Ltd \$50,000 in Shares, at a deemed issue price equal to the 5-day volume weighted average Share price prior to execution of the engagement letter. The engagement letter was otherwise made on customary terms.

This Resolution seeks Shareholder ratification for the purposes of Listing Rule 7.4 for the prior issue of 1,351,352 Shares to Spark Plus Pte Ltd on 17 September 2024 in consideration for services under the engagement letter.

7.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 are set out in Sections 5.1 and 5.2 above.

The issue 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 the issue.

7.3 Technical information required by Listing Rule 14.1A

If this Resolution is passed, the issue 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 the issue.

If this Resolution is not passed, the issue 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 the issue.

7.4 Technical information required by Listing Rules 7.4 and 7.5

REQUIRED INFORMATION	DETAILS
Names of persons to whom Securities were issued or the basis on which those persons were identified/selected	Spark Plus Pte Ltd
Number and class of Securities issued	1,351,352 Shares
Terms of Securities	The Shares were fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
Date(s) on or by which the Securities were issued	The Shares were issued on 17 September 2024.
Price or other consideration the Company received for the Securities	The Shares were issued in consideration for services provided to the Company under the engagement letter detailed in section 7.1.
Purpose of the issue, including the intended use of any funds raised by the issue	The Shares were issued in consideration for services provided to the Company under the engagement letter detailed in section 7.1.
Voting Exclusion Statement	A voting exclusion statement applies to this Resolution.
Compliance	The issue did not breach Listing Rule 7.1. The Shares were issued in consideration for services provided to the Company under the engagement letter detailed in section 7.1.

8. RESOLUTION 7 – APPROVAL TO ISSUE SECURITIES TO UNRELATED PARTIES UNDER AN INCENTIVE PLAN

This Resolution seeks Shareholder approval for purposes of Listing Rule 7.2 (Exception 13(b)) for the issue of a maximum of 94,194,529 Securities under the Plan.

The objective of the Plan is to attract, motivate and retain key employees, contractors and other persons who provide services to the Company, and the Company considers that the adoption of the Plan and the future issue of Securities under the Plan will provide these parties with the opportunity to participate in the future growth of the Company.

A summary of Listing Rule 7.1 is set out in Section 5.1 above.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

8.1 Technical Information required by Listing Rule 14.1A

If this Resolution is passed, the Company will be able to issue Securities under the Plan to eligible participants over a period of 3 years. The issue of any Securities to eligible participants under the Plan (up to the maximum number of Securities stated in Section 8.2 below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If this Resolution is not passed, the Company will be able to proceed with the issue of Securities under the Plan to eligible participants, but any issues of Securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Securities.

8.2 Technical information required by Listing Rule 7.2 (Exception 13)

REQUIRED INFORMATION	DETAILS
Terms of the Plan	A summary of the material terms and conditions of the Plan is set out in Schedule 3.
Number of Securities previously issued under the Plan	The Company has issued 55,750,000 Securities under its previous Employee Incentive Plan (adopted by the Board on 13 October 2021) (Previous Plan) to non-related parties in reliance of exception 13 to Listing Rule 7.2 since the Company last sought Shareholder approval to issue securities under the Previous Plan on 29 November 2021. The Company has issued 52,000,000 Securities to Directors under the Plan with approval from Shareholders under Listing Rule 10.14 since 29 November 2021.
Maximum number of Securities proposed to be issued under the Plan	The maximum number of Securities proposed to be issued under the Plan in reliance on to Listing Rule 7.2 (Exception 13), following Shareholder approval, is 94,194,529 Securities. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately. The Company may also seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Securities under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.
Voting exclusion statement	A voting exclusion statement applies to this Resolution.
Voting prohibition statement	A voting prohibition statement applies to this Resolution.

9. RESOLUTION 8 – REPLACEMENT OF CONSTITUTION

9.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

This Resolution is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules.

A summary of the proposed material changes is set out in Section 9.2 below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website <https://www.altechgroup.com/about-us/governance/> and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6168 1555). Shareholders are invited to contact the Company if they have any queries or concerns.

9.2 Summary of material proposed changes

<p>Employee incentive securities plan (Clause 2.4)</p>	<p>Under the new Division 1A of Part 7.12 of the Corporations Act, which came into effect on 1 October 2022, offers under an employee incentive plan that do not require a monetary payment (e.g., zero exercise price options or performance rights) can be issued without an issue cap. However, offers requiring a monetary payment (whether upon grant or upon exercise/vesting of the awards and issue of the underlying shares) must be accompanied by an 'ESS offer document' and must comply with an issue cap. The cap is set at 5% under the Corporations Act unless raised by a company's constitution. A company may include a higher issue cap in its constitution to allow for more than 5% of securities to be issued under the plan.</p> <p>The Proposed Constitution has set the issue cap at 10%.</p>
<p>Restricted securities (Clause 2.13)</p>	<p>The Proposed Constitution complies with the changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes (and pursuant to ASX Compliance Update 01/24), ASX requires the Company to issue holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) restriction notices in the form of Appendix 9C advising them of the restriction.</p>
<p>Minimum securities holding (Clause 3)</p>	<p>The Proposed Constitution now extends the minimum holding provisions to all securities as provided for under the Listing Rules. The clause previously only referred to shares.</p> <p>Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.</p>
<p>Joint holders (Clause 9.8)</p>	<p>The ASX is considering replacement options for its Clearing House Electronic Subregister System (CHES). Due to complexities with the solution design, there is no current go-live date. To ensure compliance with any replacement CHES system, clause 9.8 of the Proposed Constitution provides that the number of registered joint holders of securities shall be as permitted under the Listing Rules and the ASX Settlement Operating Rules.</p>
<p>Capital reductions (Clause 10.2)</p>	<p>The Proposed Constitution now permits sales of unmarketable parcels to a sale nominee(s) as part of a capital reduction.</p>
<p>Direct voting (clause 13)</p>	<p>The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any Resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.</p>

Use of technology (Clause 14)	The Proposed Constitution includes a new provision to permit the use of technology at general meetings (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.
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9.3 Insertion of partial (proportional) takeover provisions

Overview	<p>A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.</p> <p>Pursuant to section 648G of the Corporations Act, an entity may include a provision in its constitution whereby a proportional takeover bid for shares may only proceed after the bid has been approved by a meeting of shareholders held in accordance with the terms set out in the Corporations Act.</p> <p>In accordance with section 648G(1) of the Corporations Act, such clause will cease to apply at the end of three years from the incorporation of the Company, insertion of the clause or renewal of the clause (as appropriate) unless otherwise specified. When this clause ceases to apply, the constitution will be modified by omitting the clause.</p> <p>A company may renew its proportional takeover approval provisions in the same manner in which a company can modify its constitution (i.e., by special resolution of shareholders).</p> <p>This Resolution will enable the Company to modify its Constitution by re-inserting proportional takeover provisions into the Proposed Constitution in the form of clause 37.</p>
Effect of proposed proportional takeover provisions	Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a Resolution to approve the proportional off-market bid is passed.
Reasons for proportional takeover provisions	A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.
Knowledge of any acquisition proposals	As at the date of this Notice, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.
Potential advantages and disadvantages of proportional takeover provisions	<p>The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.</p> <p>The potential advantages of the proportional takeover provisions for Shareholders include:</p> <ul style="list-style-type: none"> (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed; (b) assisting in preventing Shareholders from being locked in as a minority;

	<p>(c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and</p> <p>(d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.</p> <p>The potential disadvantages of the proportional takeover provisions for Shareholders include:</p> <p>(a) proportional takeover bids may be discouraged;</p> <p>(b) lost opportunity to sell a portion of their Shares at a premium; and</p> <p>(c) the likelihood of a proportional takeover bid succeeding may be reduced.</p>
<p>Recommendation of the Board</p>	<p>The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of this Resolution.</p>

10. ENQUIRIES

Shareholders are requested to contact the Company Secretary, Mr Martin Stein, on (+61 8) 6168 1555 or martins@altechgroup.com if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX.

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)*.

Company means Altech Batteries Limited (ACN 125 301 206).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying 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.

Material Person means a related party of the Company, member of the Key Management Personnel, substantial holder of the Company, adviser of the Company or associate of any of these parties.

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

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Directors report section of the Company's annual financial report for the year ended 30 June 2024.

Resolutions means the resolutions set out in the Notice of Meeting, 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.

Shortfall Offer has the meaning given to it in Section 6.1.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS (RESOLUTION 4)

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph 1.1.1(i), the amount payable upon exercise of each Option will be \$0.08 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 30 April 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

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

If a notice delivered under 1.1.1(g)Schedule 1(a)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS (RESOLUTION 5)

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.06 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2025 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

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

(f) **Exercise Date**

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

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

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

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

(h) **Shares issued on exercise**

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

(i) **Reconstruction of capital**

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

(j) **Participation in new issues**

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

(k) **Change in exercise price**

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

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – TERMS AND CONDITIONS OF PLAN

A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	The purpose of the Plan is to: <ol style="list-style-type: none"> 1. assist in the reward, retention and motivation of Eligible Participants; 2. link the reward of Eligible Participants to Shareholder value creation; and 3. align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
Maximum number of Convertible Securities	The Company will not make an invitation under the Plan which involves monetary consideration if the number of Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b) – refer to Resolution 8). The proposed Constitution specifies a threshold of 10% of the issue cap. The maximum number of equity securities proposed to be issued under the Plan in reliance on Listing Rule 7.2 (Exemption 13(a)), following Shareholder approval, is 94,194,529 Securities. It is not envisaged that the maximum number of Securities will be issued immediately.
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
Rights attaching to Convertible Securities	A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right). Prior to a Convertible Security being exercised, the holder: <ol style="list-style-type: none"> (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan;

	<p>(a) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company;</p> <p>(b) is not entitled to receive any dividends declared by the Company; and</p> <p>(c) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).</p>
Restrictions on dealing with Convertible Securities	<p>Convertible Securities issued under the Plan cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board.</p> <p>A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.</p>
Vesting of Convertible Securities	<p>Any vesting conditions applicable to the Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that security will lapse.</p>
Forfeiture of Convertible Securities	<p>Convertible Securities will be forfeited in the following circumstances:</p> <p>(a) in the case of unvested Convertible Securities only, where the holder ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Company and any Associated Bodies Corporate (as defined in the Corporations Act) (the Group);</p> <p>(b) in the case of unvested Convertible only, where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;</p> <p>(c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;</p> <p>(d) on the date the Participant becomes insolvent; or</p> <p>(e) on the Expiry Date,</p> <p>subject to the discretion of the Board.</p>
Listing of Convertible Securities	<p>Convertible Securities granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of Convertible Securities granted under the Plan on the ASX or any other recognised exchange.</p>
Exercise of Convertible Securities and cashless exercise	<p>To exercise a security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Securities (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.</p> <p>An invitation to apply for Convertible Securities may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.</p>

	<p>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.</p> <p>Convertible Securities may not be exercised unless and until that security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
Timing of issue of Shares and quotation of Shares on exercise	<p>Within five business days after the issue of a valid notice of exercise by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.</p>
Restriction periods and restrictions on transfer of Shares on exercise	<p>If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.</p> <p>Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:</p> <ul style="list-style-type: none"> (a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act; (b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and (c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.
Rights attaching to Shares on exercise	<p>All Shares issued upon exercise of Convertible Securities will rank equally in all respects with the then Shares of the Company.</p>
Change of control	<p>If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), the Board may in its discretion determine the manner in which any or all of the Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.</p>
Participation in entitlements and bonus issues	<p>Subject always to the rights under the following two paragraphs, Participants will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.</p>
Adjustment for bonus issue	<p>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the Participant is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.</p>
Reorganisation	<p>If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p>
Buy-Back	<p>Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.</p>

Employee Share Trust	The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.
Amendment of Plan	<p>Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.</p>
Plan duration	<p>The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.</p> <p>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.</p>
Income Tax Assessment Act	The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.