FBR Limited
ACN 090 000 276

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held as a virtual meeting at https://web.lumiagm.com/319603876 on 26 November 2020 at 11:00am (AWST).

This Notice of Annual General Meeting and accompanying Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on (08) 9380 0240.

FBR LIMITED
ACN 090 000 276

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that an annual general meeting of Shareholders of FBR Limited (**Company**) will be held as a virtual meeting at https://web.lumiagm.com/319603876 on 26 November 2020 at 11:00am (AWST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 24 November 2020 at 4.00pm (AWST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 11.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2020, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: This item of business is for discussion only and is not a resolution.

1. Resolution 1 – Adoption of Remuneration Report

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

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the Company (which is contained in the Directors' Report in the Annual Report) for the financial year ended 30 June 2020 be adopted."

Note: Under section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) on this Resolution by or on behalf of::

1. a member of the Key Management Personnel, whose remuneration details are included in the Remuneration Report; or

2. an associate of that member or a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (1) or (2) above and either:

(a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or

(b) the person is the Chairman voting an undirected proxy which expressly authorises the

Chairman to vote the proxy on a resolution connected with the remuneration of a member of the Key Management Personnel;

2. Resolution 2 – Election of Director – Mr Greg Smith

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

"That, for the purposes of Article 6.3 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Greg Smith, who was appointed as an additional Director by the Board on 5 August 2020 under Article 6.2(b) of the Constitution, and who retires and is eligible for re-election as a Director, is so re-elected."

3. Resolution 3 – Re-Election of Director – Mr Richard Grellman

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

"That Mr Richard Grellman, a Director who retires by rotation in accordance with Article 6.3 of the Constitution, Listing Rule 14.4 and for all other purposes, being eligible and offering himself for re-election, is so re-elected."

4. Resolution 4 – Approval of Employee Securities Incentive Plan

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

"That, for the purpose of Listing Rule 7.2 (Exception 13) and for all other purposes, Shareholders approve the terms of the "FBR Limited Employee Securities Incentive Plan", as detailed in the Explanatory Memorandum, and the grant of Performance Rights and Options and the issue of Shares under that plan."

Voting Exclusion

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of a person who is eligible to participate in the FBR Limited Employee Securities Incentive 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 proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or); or

(b) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

(c) a Shareholder 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 Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting; and

(ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

5. Resolution 5 – Issue of shares to Mr Michael Pivac

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

"That pursuant to and in accordance with listing Rule 10.11 and for all other purposes, shareholders approve the issue of 25,000,000 Short Term Loan Funded Shares to the Managing Director and CEO Mr Michael Pivac, each at market value on the day of issue and on the terms and conditions in the Explanatory Memorandum"

Voting Exclusion

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of any of the following persons:

1. the person who is to receive the securities in question (Mr Michael Pivac) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

2. an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

(c) a Shareholder 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 Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting; and

   (ii) the Shareholder votes on the Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

6. Resolution 6 – Issue of shares to Mr Michael Pivac

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

"That pursuant to and in accordance with listing Rule 10.11 and for all other purposes, shareholders approve the issue of 25,000,000 Long Term Loan Funded Shares to the Managing Director and CEO Mr Michael Pivac, each at market value on the day of issue and on the terms and conditions in the Explanatory Memorandum"

Voting Exclusion

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf

of any of the following persons:

1. the person who is to receive the securities in question (Mr Michael Pivac) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

2. an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

(c) a Shareholder 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 Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting; and

   (ii) the Shareholder votes on the Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

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7. Resolution 7 – Issue of shares to Mr Mark Pivac

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

"That pursuant to and in accordance with listing Rule 10.11 and for all other purposes, shareholders approve the issue of 25,000,000 Short Term Loan Funded Shares to Executive Director and CTO Mr Mark Pivac, each at market value on the day of issue and on the terms and conditions in the Explanatory Memorandum"

Voting Exclusion

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of any of the following persons:

1. the person who is to receive the securities in question (Mr Mark Pivac) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

2. an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

(c) a Shareholder 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 Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting; and

(ii) the Shareholder votes on the Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

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8. Resolution 8 – Issue of shares to Mr Mark Pivac

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

"That pursuant to and in accordance with listing Rule 10.11 and for all other purposes, shareholders approve the issue of 25,000,000 Long Term Loan Funded Shares to Executive Director and CTO Mr Mark Pivac, each at market value on the day of issue and on the terms and conditions in the Explanatory Memorandum"

Voting Exclusion

The Company will disregard any votes cast (in any capacity) on this Resolution by or on behalf of any of the following persons:

1. the person who is to receive the securities in question (Mr Mark Pivac) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or

2. an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

(c) a Shareholder 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 Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting; and

(ii) the Shareholder votes on the Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

9. Resolution 9 – Ratification of Issue of Placement Shares under Listing Rule 7.1

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

"That, for the purposes of Listing Rules 7.1 and 7.4 and for all other purposes, Shareholders ratify and approve the previous issue of 113,377,156 Shares to professional and sophisticated investors on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

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

1. any person who participated in the issue; or

2. an associate of that person or those persons.

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

(a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

(b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with 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; and

(ii) the holder votes in accordance with directions given by the beneficiary to the holder to vote in that way.

10. Resolution 10 – Approval of 10% Placement Facility

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

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

Voting Exclusion

The Company will disregard any votes cast (in any capacity) in favour of the Resolution by or on behalf of any person (and/or their nominee(s)) 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 Company) or any associates 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 proxy or attorney for a person who is entitled to vote on this Resolution,

in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or

(b) the Chairman of the meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman decides; or

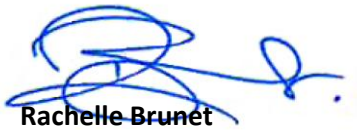
(c) a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and

(ii) the Shareholder votes on the Resolution in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

Dated 28 October 2020

BY ORDER OF THE BOARD



Rachelle Brunet
Company Secretary

FBR LIMITED
ACN 090 000 276

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held as a virtual meeting at https://web.lumiagm.com/319603876 on 26 November 2020 at 11:00am (AWST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

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

2.1 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, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting.

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

1. a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;

2. a proxy need not be a member of the Company; and

3. 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.

2.2 How to join the Meeting

Shareholders can participate in the Meeting online using one of the following methods below. We also recommend that you refer to Computershare's Online Meeting Guide provided with the Meeting documentation and available at: www.computershare.com.au/virtualmeetingguide ("Online Meeting Guide").

a) Computer - by entering this link in your browser: https://web.lumiagm.com/319603876

b) Mobile device - by entering this link in your browser: https://web.lumiagm.com/319603876

Additional meeting registration information - Shareholders and proxies will then need to enter the following information:

a) your username, which is your SRN/HIN (see details in your Proxy form)

b) your password, if registered in Australia this will be your postcode, and if overseas, the country code set out in the Online Meeting Guide

Registration time: registration will be open at 10:00 am (AWST) on Thursday, 26 November 2020 (1hr prior to the start of the Meeting).

2.3 Voting in Person

The Lumi platform enables voting to take place at any time between the commencement of the Meeting up until closure is announced by the Chairman during the Meeting. The process for asking questions and voting is detailed in the Online Meeting Guide and the Chairman will also guide Shareholders through this process during the Meeting.

It may not be possible to respond to all questions raised during the Meeting. Shareholders are therefore encouraged to lodge questions prior to the Meeting by emailing their question(s) to enquiries@fbr.com by no later than 5:00pm (AWST), 20 November 2020.

2.4 Voting By Proxy

Shareholders can appoint a proxy to attend and vote live at the Meeting. Your proxy need not be a Shareholder.

If you are entitled to cast two or more votes you may appoint two proxies and specify on your Proxy Form the proportion or number of votes each proxy is appointed to exercise. If you appoint two proxies and the appointment does not specify the number or proportion of votes each proxy may exercise, each proxy may exercise half the votes.

To vote by proxy, please complete and sign the enclosed Proxy Form and return:

a) online at www.investorvote.com.au;

b) by scanning the QR code of your proxy form and following the prompts;

c) by post to the Registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001;

d) by facsimile to the Registry on facsimile number (+61 3) 9473 2555; or

e) for custodian voting: for Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions, so that it is received no later than 11am (AWST) on 24 November 2020.

Proxy Forms received later than this time will be invalid.

3. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the Annual Report can be found on the Company's website www.fbr.com.au or are available by contacting the Company on (08) 9380 0240.

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered a reasonable opportunity to:

1. discuss the Annual Report for the financial year ended 30 June 2020;
2. ask questions or make comment on the management of the Company;
3. ask questions about, or make comment on, the Remuneration Report; and
4. ask the auditor questions about:
    1. the conduct of the audit;
    2. the preparation and content of the Auditor's Report;
    3. accounting policies adopted by the Company in relation to the preparation of the financial statements; and
    4. the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

1. the content of the Auditor's Report; or
2. the conduct of the audit of the Financial Report,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

The Annual Report for the year ended 30 June 2020 contains the Remuneration Report which:

1. sets out the remuneration policy for the Company;
2. discusses the relationship between the remuneration policy and the Company's performance; and
3. details the remuneration arrangements of Key Management Personnel, including the Managing Director, senior executives and non-executive Directors.

The Remuneration Report is contained within the Directors' Report in the Company's Annual Report (pages 36 to 49).

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Chair will allow reasonable opportunity for Shareholders

to ask questions about, or comment on, the Remuneration Report at the meeting.

Section 250R(3) of the Corporations Act provides that the vote on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors of the Company. However, under the Corporations Act if there are two consecutive votes at annual general meetings of the Company against the Company's remuneration report of 25% or more (each year's votes being considered a **Strike**), at the second consecutive annual general meeting at which a Strike occurs (**Second Strike**), a resolution must be put to Shareholders to hold another meeting where each Director is nominated for re-election (**Spill Resolution**). If the Spill Resolution is passed, then the Company is required to hold an additional general meeting (**Further Meeting**) within 90 days of the Spill Resolution. At the Further Meeting all Directors (excluding the Managing Director) must be nominated for re-election.

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.

Voting Restrictions

Section 250R(4) of the Corporations Act prohibits any votes on this Resolution being cast by Key Management Personnel (or their associates) whose remuneration details are disclosed in the Remuneration Report. However, an exception to this prohibition exists to enable the Chair to vote Shareholders' undirected proxy votes. In this regard, you should specifically note that if you appoint the Chair as your proxy and you indicate on the Proxy Form you do not wish to specify how the Chair should vote on Resolution 1, the Chair will cast your votes in favour of Resolution 1.

If you wish to appoint the Chair as your proxy but do NOT want your votes to be cast in favour of Resolution 1, you must indicate your voting intention by marking either 'against' or 'abstain' against Resolution 1 in the Proxy Form.

5. Resolutions 2 & 3 – Election of Directors

5.1 General

The Constitution allows the Directors to appoint a person to be a Director at any time, either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Article 6.3(j) of the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Greg Smith, having been appointed as a Director by the other Directors on 5 August 2020, will retire in accordance with the Constitution and Article 6.3(j) of the Constitution and Listing Rule 14.4 and, being eligible, seeks re-election by Shareholders.

Mr Richard Grellman, in accordance with Article 6.3 of the Constitution, Listing Rule 14.4, retires and being eligible for re-election, offers himself for re-election at the Meeting.

The Company confirms that the re-election of Messrs Smith and Grellman will not breach the Constitution.

5.2 Qualifications

Mr Greg Smith

Mr Greg Smith has 39 years' experience in the building products industry in manufacturing, technical and sales across the clay and concrete products sector. Mr Smith specialises in operations and project management, safety transformation leadership, lean implementation and contract negotiation.

Mr Smith is currently the Assistant Director Estate Management and Planning WA with the Department of Defence, responsible for the coordination of all development and maintenance works across the defence estate in WA, Christmas and Cocos Island.

Mr Richard Grellman

Mr Grellman AM is a highly experienced leader and a member of the Order of Australia for service to the community and to the finance and insurance sectors. Richard is currently the non-executive chairman of IPH Limited, director and Chairman of the Audit Committee of Bisalloy Steel Group Limited and a director of the National Health and Medical Research Council Institute for Dementia Research. Since 2014, Richard has served as the Tribunal of the NSW Statutory and Other Officers Remuneration Tribunal (SOORT), appointed by the Governor of NSW.

He spent 32 years with accounting firm KPMG, where he was a partner from 1982 to 2000, a member of KPMG's National Board from 1995 to 1997 and National Executive from 1997 to 2000, and has since served on a number of other boards of both listed and unlisted organisations.

5.3 Independence

If elected, the Board considers Mr Smith will be an independent Non-Executive Director.

If re-elected, the Board considers Mr Grellman will be an independent Non-Executive Chairman.

5.4 Board recommendation

The Board (other than as regards each Director who is the subject of their own appointment Resolution) supports the election of each of the Directors and recommends that Shareholders vote in favour of each of Resolutions 2 and 3.

6. Resolutions 4 – Approval of Employee Securities Incentive Plan

6.1 General

Resolution 4 seeks to 'refresh' the Shareholders' previous approval of the "FBR Limited Performance Rights Plan", now named the "FBR Limited Employee Securities Incentive Plan" (Employee Securities Incentive Plan). The Employee Securities Incentive Plan enables the Company to issue Shares, Performance Rights and Options to Directors, Executives and other Eligible Employees. Performance rights issued under the plan will result in the issue to the holder for no consideration of one ordinary Share for each Performance Right held by them, upon a determination by the Board that the performance conditions attached to the Performance Rights have been met.

6.2 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

One of the specified exceptions to Listing Rule 7.1 is set out in Listing Rule 7.2 (Exception 13), which provides that issues under an employee incentive scheme are exempt for a period of three years if shareholders approve the issue of securities under the scheme as an exception to Listing Rule 7.1.

The Performance Rights Plan was approved by Shareholders at the Company's annual general meeting on 21 November 2018. For the future Equity Securities issued under the Employee Securities Incentive Plan to be exempt from contributing towards the rolling annual limit under Listing Rule 7.1, the Company is required under Listing Rule 7.2 (Exception 13) to seek Shareholder approval of the Employee Securities Incentive Plan every three years.

The effect of the approval sought will be that for the next three years, the issue of Performance Rights and Options under the Employee Securities Incentive Plan will not reduce the number of Equity Securities that may be issued by the Company without Shareholder approval under the 15% threshold.

The issue of Performance Rights and Options under the Employee Securities Incentive Plan to Directors and their associates will still require Shareholder approval in accordance with Listing Rule 10.14. Any issue made under the Employee Securities Incentive Plan also remains subject to the issue limits under the Employee Securities Incentive Plan.

Further information about the Employee Securities Incentive Plan is set out below.

6.3 Purpose of the Employee Securities Incentive Plan

To achieve its corporate objectives, the Company needs to attract and retain its key staff. The Board believes the grants made to eligible participants under the Employee Securities Incentive Plan will provide a powerful tool to underpin the Company's employment and engagement strategy, and that the implementation of the Employee Securities Incentive Plan will:

1. enable the Company to recruit, incentivise and retain Key Management Personnel and other Eligible Employees needed to achieve the Company's business objectives;

2. link the reward of key staff with the achievements of strategic goals and the long term performance of the Company;

3. align the financial interest of participants in the Employee Securities Incentive Plan with those of Shareholders; and

4. provide incentives to participants in the Employee Securities Incentive Plan to focus on superior performance that creates Shareholder value.

6.4 Key features of the Employee Securities Incentive Plan

The key features of the Employee Securities Incentive Plan are as follows:

1. The Board will determine the number of Performance Rights or Options to be granted to Eligible Employees (or their nominees) and the vesting conditions and expiry date of

the Performance Rights in its sole discretion.

2. The Performance Rights and Options are not transferable unless the Board determines otherwise, or the transfer is required by law and provided that the transfer complies with the Corporations Act.

3. Subject to the Corporations Act, the Listing Rules and restrictions on reducing the rights of a holder of Performance Rights, the Board will have the power to amend the Employee Securities Incentive Plan as it sees fit.

A summary of the Employee Securities Incentive Plan is attached at Schedule 1.

6.5 Specific information required by Listing Rule 7.2, exception 13(b)

In accordance with the requirements of Listing Rule 7.2 Exception 13(b), the following information is provided:

1. the material terms of the Employee Securities Incentive Plan are summarised above, and a summary of the Employee Securities Incentive Plan is attached at Schedule 1;

2. 128,517,308 Performance Rights have been issued under the Employee Securities Incentive Plan since it was most recently approved on 21 November 2018;

3. The maximum number of securities proposed to be issued under the Employee Securities Incentive Plan following approval of this Resolution shall not exceed 10% of the Company's equity securities currently on issue, subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules. Based on the number of equity securities currently on issue, 10% equates to a maximum of 207,917,007 equity securities; and

4. a voting exclusion statement is included above in the Notice.

6.6 Specific information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to issue Securities under the Employee Securities Incentive Plan to eligible participants over a period of three years. The issue of any Securities to eligible participants under the Employee Securities Incentive Plan (up to the maximum number of Securities stated in Section 6.5(3) above) 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.

If Resolution 4 is not passed, the Company will be able to proceed with the issue of Securities under the Employee Securities Incentive Plan, 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.

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 Employee Securities Incentive 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.

7. Resolutions 5 & 6 – Issue of shares to Mr Michael Pivac

7.1 General

Resolutions 5 and 6 seek Shareholder approval in accordance with Listing Rule 10.11 for the purpose of the Managing Director and CEO Mr Michael Pivac, subscribing for up to 25,000,000 Short Term Loan Funded Shares and 25,000,000 Long Term Loan Funded Shares pursuant to the terms and conditions set out below.

The Company has agreed, subject to obtaining Shareholder approval, to the provision of a limited recourse, interest free loan ("Loan") to the Managing Director, Mr Michael Pivac, for the purpose of subscribing for 50,000,000 Loan Funded Shares on the terms and conditions set out below. In forming the decision to implement the loan to the Managing Director the Board and its Remuneration Committee reviewed similar sized listed companies operating in similar industries in regard to setting appropriate Managing Director remuneration and sought and received advice regarding the most appropriate structure of incentive for the Managing Director. This advice recommended the non-cash share loan as the most appropriate incentive structure.

The Board of the company takes the view that a cash-based incentive structure is inappropriate at the current stage of development. The board takes the view that the non- cash loan structure provides a suitable incentive whilst avoiding the payment of a cash bonus. The board takes the view that the recommended non-cash share loan becomes the sole short, medium and long-term incentive for the Managing Director.

Resolutions 5 and 6 are ordinary resolutions.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Loan Funded Shares to the Directors constitutes giving a financial benefit and each of the Directors is a related party of the Company by virtue of being a Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issues because the loan funded shares will be issued to Mark Pivac in lieu of short and long term cash incentives, and are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act. The primary purpose for issuing the loan funded shares in place of cash incentives is to assist the Company in managing its cash flow in its growth phase by preserving the Company's cash reserves.

7.2 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:

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 exemption to do so;

10.11.4 an associated 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 the Loan Funded Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. Resolutions 5 & 6 therefore require the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 & 6 seek Shareholder approval for the issue of the Loan Funded Shares under and for the purposes of Listing Rule 10.11.

As Shareholder Approval is sought under Listing Rule 10.11, approval under Listing 7.1 and 10.14 is not required.

If Resolution 5 & 6 are not passed, the Company will seek to provide cash based short term and long term incentives to Mr Michael Pivac.

The chairman will cast all available proxies in favour of Resolutions 5 and 6.

7.3 Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 in relation to Resolutions 5 & 6:

1. The Loan Funded Shares will be issued to the Managing Director and CEO Mr Michael Pivac, who falls within the category set out in Listing Rule 10.11.1, as Mr Pivac is a related party of the Company by virtue of being a Director.

2. The maximum number of fully paid ordinary Shares to be issued under Resolutions 5 and 6 are 50,000,000. The 25,000,000 shares issued under Resolution 5 will be under voluntary escrow for 12 months as a short term incentive. The 25,000,000 shares issued under Resolution 6 will be under voluntary escrowed for 36 months as a long term incentive.

3. The Loan Funded Shares to be issued under Resolutions 5 and 6 will be issued, as fully paid ordinary shares, following approval, but no later than 1 month after the date of approval, at an issue price equal to the 30 day VWAP price of the Company on the ASX on the day of issue. The potential loan values are shown below assuming a base price from 15 October 2020 of $0.058 per share and +/- 50% movement.

	Short Term - 25,000,000 shares	Long Term - 25,000,000 shares	Total Loan Value
Loan funded shares gross value at - 50% of Base Price ($0.029)	$ 725,000	$ 725,000	**$ 1,450,000**
Loan funded shares gross value at Base Price ($0.058)	$ 1,450,000	$ 1,450,000	**$ 2,900,000**
Loan funded shares gross value at +50% of Base Price($0.087)	$ 2,175,000	$ 2,175,000	**$ 4,350,000**

4. No funds will be raised from the issue of the Loan Funded Shares as there will be no change to the Company's cash position (i.e. the Loan made by the Company will be issued to subscribe for the Loan Funded Shares to be issued to Mr Michael Pivac). Amounts repaid to the Company by Mr Michael Pivac in the future in satisfaction of the Loan will be used by the Company for general working capital purposes. For accounting purposes these loan funded shares will be recorded as options in the Company's accounts.

5. Mr Michael Pivac has an interest in Resolutions 5 and 6 and therefore believes it is inappropriate to make a recommendation. The other Directors each recommend the issue of the 50,000,000 Loan Funded Shares to Mr Michael Pivac as it aligns the interests of the Company and Mr Michael Pivac to maximise Shareholder value.

6. A voting exclusion statement is included in Resolutions 5 and 6 in the Notice.

7. The Loan will be provided on the following key terms:

   i. The amount of the Loan to Mr Michael Pivac is equal to the market value of 50,000,000 ordinary shares in the Company over a 30 ASX trading day VWAP prior to the date of issue to fund the amount payable for the 50,000,000 Loan Funded Shares. The Loan has 2 distinct and discrete halves, one half applicable to 25,000,000 shares and repayable in 12 months, the other half applicable to 25,000,000 shares and repayable in 36 months.

   ii. No interest is payable on the Loan;

   iii. The Loan is limited in recourse to amounts recovered from disposal of the Shares;

   iv. The Loan is to be repaid if Mr Michael Pivac's employment is terminated and he is not a good leaver (e.g. summary dismissal or termination of employment for misconduct);

   v. for resolution 5, half of the Loan is repayable 12 months after the date of issue of the 25,000,000 Short Term Loan Funded Shares. These 25,000,000 Shares cannot be sold prior to this date. If, upon the expiration of the applicable term of the Loan the shares are worth less than the value of the applicable half of the Loan, then Mr Michael Pivac will be entitled to sell the shares and repay the applicable half of the Loan, with the shortfall balance of half the Loan being cancelled by the Company. Under this circumstance no net proceeds whatsoever of share disposal will flow to Mr Michael Pivac. If, upon the expiration of the applicable term of the Loan the shares are worth more than the value of the applicable half of the Loan,

Mr Michael Pivac will be entitled to sell the Shares in an approved trading window of the Company and first repay the Loan and then keep the excess sale proceeds above the half Loan repayment value;

vi. for resolution 6, half the Loan is repayable 3 years after the date of issue of the 25,000,000 Long Term Loan Funded Shares. These 25,000,000 Shares cannot be sold prior to this date, and furthermore cannot provide any net benefit to Mr Michael Pivac until after the achievement of a performance hurdle of a 3,000 Standard Brick Equivalents (SBEs) per hour lay rate for the HadrianX® for one hour of operating time. If the performance Hurdle is not achieved within 3 years then the Long Term Loan Funded Shares will be sold on market on the ASX market by Mr Michael Pivac and 100% of the proceeds will be given to the Company to repay half the Loan. Under this circumstance no proceeds whatsoever of share disposal will flow to Mr Michael Pivac;

vii. for resolution 6, if the performance hurdle of a 3,000 Standard Brick Equivalents (SBEs) per hour lay rate for the HadrianX® for one hour of operating time is achieved within 3 years, then if, upon the expiration of the applicable term of the Loan the shares are worth less than the value of the applicable half of the Loan, then Mr Michael Pivac will be entitled to sell the shares and repay the applicable half of the Loan, with the shortfall balance of half the Loan being cancelled by the Company. Under this circumstance no net proceeds whatsoever of share disposal will flow to Mr Michael Pivac. If, however upon the expiration of the applicable term of the Loan the shares are worth more than the value of the applicable half of the Loan Mr Michael Pivac will be entitled to sell the Shares in an approved trading window of the Company and first repay the Loan and then keep the excess sale proceeds above the half Loan repayment value.;

viii. where a Share is sold, the Loan amount for that Share only must be repaid to the Company in cleared funds within 5 business days of the sale; and

ix. the Loan is secured against the proceeds from the sale of the Shares but Mr Michael Pivac is not personally liable for the Loan. In other words, in the event the Shares are sold to repay the Loan but the sale proceeds are insufficient to cover the amount of the loan which is outstanding the Company cannot recover the remaining amount from Mr Michael Pivac and the Company will be unlikely to recoup the full face value of the Loan. Conversely, where the sale proceeds are greater than the amount of the Loan the company will not receive an additional repayment as Mr Michael Pivac is entitled to the surplus proceeds.

8. Mr Pivac's current total remuneration package is a base salary of $400,000 p.a. including superannuation, plus 666,666 Share Performance Rights which are due to expire on 31 December 2020 unless the Company achieves a 15 day VWAP of $0.525 prior to 31 December 2020.

9. The purpose of the issue is to provide a short term and long term incentive to the Executive Director Mr Michael Pivac. Any funds raised from the issue will be used by the Company for general working capital purposes.

10. The chairman will cast available proxies in favour of Resolutions 5 and 6.

11. The company will issue the Loan Funded Shares no later than 1 month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).

8. Resolutions 7 & 8 – Issue of shares to Mr Mark Pivac

8.1 General

Resolutions 7 & 8 seek Shareholder approval in accordance with Listing Rule 10.14 for the purpose of Executive director and CTO Mr Mark Pivac, subscribing for up to 25,000,000 Short Term Loan Funded Shares and 25,000,000 Long Term Loan Funded Shares pursuant to the terms and conditions set out below.

The Company has agreed, subject to obtaining Shareholder approval, to the provision of a limited recourse, interest free loan ("Loan") to an Executive Director, Mr Mark Pivac, for the purpose of subscribing for 50,000,000 Loan Funded Shares on the terms and conditions set out below. In forming the decision to implement the loan to Mr Mark Pivac the Board and its Remuneration Committee reviewed similar sized listed companies operating in similar industries in regard to setting appropriate remuneration and sought and received advice regarding the most appropriate structure of incentive for the CTO. This advice recommended the non-cash share loan as the most appropriate incentive structure.

The Board of the company takes the view that a cash-based incentive structure is inappropriate at the current stage of development. The board takes the view that the non- cash loan structure provides a suitable incentive whilst avoiding the payment of a cash bonus. The board takes the view that the recommended non-cash share loan becomes the sole short, medium and long-term incentive for Mr Mark Pivac.

Resolutions 7 & 8 are ordinary resolutions.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

(a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Loan Funded Shares to the Directors constitutes giving a financial benefit and each of the Directors is a related party of the Company by virtue of being a Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issues because the loan funded shares will be issued to Mark Pivac in lieu of short and long term cash incentives, and are considered to be reasonable remuneration for the purposes of section 211 of the Corporations Act. The primary purpose for issuing the loan funded shares in place of cash incentives is to assist the Company in managing its cash flow in its growth phase by preserving the Company's cash reserves.

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:

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 exemption to do so;

10.11.4 an associated 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 the Loan Funded Shares falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. Resolutions 5 & 6 therefore require the approval of Shareholders under Listing Rule 10.11.

Resolutions 7 & 8 seek Shareholder approval for the issue of the Loan Funded Shares under and for the purposes of Listing Rule 10.11.

As Shareholder Approval is sought under Listing Rule 10.11, approval under Listing 7.1 and 10.14 is not required.

If Resolution 7 & 8 are not passed, the Company will seek to provide cash based short term and long term incentives to Mr Mark Pivac.

The chairman will cast all available proxies in favour of Resolutions 7 & 8.

Specific information required by Listing Rule 10.13

Listing Rule 10.13 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11, in relation to Resolutions 7& 8:

1. The Loan Funded Shares will be issued to Executive director and CTO Mr Mark Pivac, who falls within the category set out in Listing Rule 10.11.1, as Mr Pivac is a related party of the Company by virtue of being a Director.

2. The maximum number of fully paid ordinary Shares to be issued under Resolutions 7 & 8 is 50,000,000. The 25,000,000 shares issued under Resolution 7 will be under voluntary escrowed for 12 months as a short term incentive. The 25,000,000 shares issued under Resolution 8 will be under voluntary escrow for 36 months as a long term incentive.

3. The Loan Funded Shares to be issued under Resolutions 7 & 8 will be issued, as fully paid ordinary shares, following approval, but no later than 1 month after the date of approval, at an issue price equal to the 30 day VWAP price of the Company on the ASX on the day of issue. The potential loan values are shown below assuming a base price

from 15 October 2020 of $0.058 per share and +/- 50% movement.

	Short Term - 25,000,000 shares	Long Term - 25,000,000 shares	Total Loan Value
Loan funded shares gross value at - 50% of Base Price ($0.029)	$ 725,000	$ 725,000	**$ 1,450,000**
Loan funded shares gross value at Base Price ($0.058)	$ 1,450,000	$ 1,450,000	**$ 2,900,000**
Loan funded shares gross value at +50% of Base Price($0.087)	$ 2,175,000	$ 2,175,000	**$ 4,350,000**

4. No funds will be raised from the issue of the Shares as there will be no change to the Company's cash position (i.e. the Loan made by the Company will be issued to subscribe for the Shares to be issued to Mr Mark Pivac). Amounts repaid to the Company by Mr Mark Pivac in the future in satisfaction of the Loan will be used by the Company for general working capital purposes. For accounting purposes these loan funded shares will be recorded as options in the Company's accounts.

5. Mr Mark Pivac has an interest in Resolutions 7 & 8 and therefore believes it is inappropriate to make a recommendation. The other Directors each recommend the issue of the 50,000,000 Loan Funded Shares to Mr Mark Pivac as it aligns the interests of the Company and Mr Mark Pivac to maximise Shareholder value.

6. A voting exclusion statement is included in Resolutions 7 & 8 in the Notice.

7. The Loan will be provided on the following key terms:

   i. The amount of the Loan to Mr Mark Pivac is equal to the market value of 50,000,000 ordinary shares in the Company over a 30 ASX trading day VWAP prior to the date of issue, to fund the amount payable for the 50,000,000 Loan Funded Shares. The Loan has 2 distinct and discrete halves, one half applicable to 25,000,000 shares and repayable in 12 months, the other half applicable to 25,000,000 shares and repayable in 36 months.

   ii. No interest is payable on the Loan;

   iii. The Loan is limited in recourse to amounts recovered from disposal of the Shares;

   iv. The Loan is to be repaid if Mr Mark Pivac's employment is terminated and he is not a good leaver (e.g. summary dismissal or termination of employment for misconduct);

   v. for resolution 7, half of the Loan is repayable 12 months after the date of issue of the 25,000,000 Short Term Loan Funded Shares. These 25,000,000 Shares cannot be sold prior to this date. If, upon the expiration of the applicable term of the Loan the shares are worth less than the value of the applicable half of the Loan, then Mr Mark Pivac will be entitled to sell the shares and repay the applicable half of the Loan, with the shortfall balance of half the Loan being cancelled by the Company. Under this circumstance no net proceeds whatsoever of share disposal will flow to Mr Mark Pivac.

If, upon the expiration of the applicable term of the Loan the shares are worth more than the value of the applicable half of the Loan, Mr Mark Pivac will be entitled to sell the Shares in an approved trading window of the Company and first repay half of the Loan and then keep the excess sale proceeds above the half Loan repayment value.;

vi. for resolution 8, half of the Loan is repayable 3 years after the date of issue of the 25,000,000 Long Term Loan Funded Shares. These 25,000,000 Shares cannot be sold prior to this date, and furthermore cannot provide any net benefit to Mr Mark Pivac until after the achievement of a performance hurdle of a 3,000 Standard Brick Equivalents (SBEs) per hour lay rate for the HadrianX® for one hour of operating time. If the performance Hurdle is not achieved within 3 years then the Long Term Loan Funded Shares will be sold on market by Mr Mark Pivac and 100% of the proceeds will be given to the Company to repay half the Loan. Under this circumstance no proceeds whatsoever of share disposal will flow to Mr Mark Pivac;

vii. for resolution 8, if the performance hurdle of a 3,000 Standard Brick Equivalents (SBEs) per hour lay rate for the HadrianX® for one hour of operating time is achieved within 3 years, then if, upon the expiration of the applicable term of the Loan the shares are worth less than the half the value of the Loan, then Mr Mark Pivac will be entitled to sell half the shares and repay the applicable half of the Loan, with the shortfall balance of half the Loan being cancelled by the Company. Under this circumstance no net proceeds whatsoever of share disposal will flow to Mr Mark Pivac. If, upon the expiration of the applicable term of half the Loan the shares are worth more than half the value of the Loan, Mr Mark Pivac will be entitled to sell half the Shares in an approved trading window of the Company and first repay the applicable half of the Loan and then keep the excess sale proceeds above the half Loan repayment value;;

viii. where a Share is sold, the Loan amount for that Share only must be repaid to the Company in cleared funds within 5 business days of the sale; and

ix. the Loan is secured against the proceeds from the sale of the Shares but Mr Mark Pivac is not personally liable for the Loan. In other words, in the event the Shares are sold to repay the Loan but the sale proceeds are insufficient to cover the amount of the loan which is outstanding the Company cannot recover the remaining amount from Mr Mark Pivac and the Company will be unlikely to recoup the full face value of the Loan. Conversely, where the sale proceeds are greater than the amount of the Loan the company will not receive an additional repayment as Mr Mark Pivac is entitled to the surplus proceeds.

8. Mr Pivac's current total remuneration package is a base salary of $475,000 p.a. including superannuation, plus 600,000 Share Performance Rights which are due to expire on 31 December 2020 unless the Company achieves a 15 day VWAP of $0.525 prior to 31 December 2020.

9. The purpose of the issue is to provide a short term and long term incentive to the Executive Director Mr Mark Pivac. Any funds raised from the issue will be used by the Company for general working capital purposes.

10. The chairman will cast available proxies in favour of Resolutions 7 & 8.

11. The company will issue the Shares no later than 12 months after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).

9. Resolution 9 – Ratification of Issue of Placement Shares under Listing Rule 7.1

9.1 Background

On 19 August 2020, the Company announced a capital raising, arranged by MST Financial, through the issue of a total of 280,701,765 Shares (**Placement Shares**) to sophisticated and professional investors, and clients of MST Financial, at an issue price of $0.057 per Placement Share to raise a total of $16,000,000 (before costs) (**Placement**). Of the Placement Shares, 113,377,156 were issued under the Company's Listing Rule 7.1 capacity **(7.1 Placement Shares)**

As at the date of this Notice the $16 million capital raising has been partially utilised to fund Hadrian X development costs and ongoing corporate overheads. As at the date of this Notice, $2 million of the $16 million raised has been spent.

The **7.1 Placement Shares** were issued on 19 August 2020 and were issued under the Company's Listing Rule 7.1 capacity. None of the 7.1 Placement Shares were issued under an agreement for the purposes of ASX listing rule 7.5.7.

Resolution 9 seeks Shareholder ratification of the issue of the **7.1 Placement Shares** issued.

Funds raised from the Placement were utilised to partially fund the Hadrian X commercialisation pathway and working capital.

9.2 ASX Listing Rule 7.1

Subject to certain exceptions, Listing Rule 7.1 prevents a company in any 12 month period from issuing or agreeing to issue new Equity Securities, or other securities with rights of conversion to Equity Securities (such as an Option), which amount to more than 15% of the Company's ordinary securities on issue, without shareholder approval.

9.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1, provided the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1.

The Company confirms the issue of the Placement Shares the subject of Resolution 9 did not breach Listing Rule 7.1.

The Company wishes to ratify the issue of the Placement Shares the subject of Resolution 9 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital under Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 9 is not passed, the Placement Shares will be included in calculating the Company's combined 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the placement shares.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in relation to Resolution 9:

1. On 25 August 2020, the Company issued 113,377,156 7.1 shares pursuant to Listing Rule 7.1;

2. the 7.1 Placement Shares were issued for $0.057 each, raising a total of $6,462,498 (before costs);

3. the 7.1 Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;

4. the 7.1 Placement Shares were issued to sophisticated and professional investors (within the meaning of sections 708(8) – (11) of the Corporations Act), none of whom are Related Parties of the Company;

5. the 7.1 Placement Shares were issued to partially fund the Hadrian X commercialisation pathway and working capital; and

6. a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 9.

9.4 Board recommendation

If Resolution 9 is passed, the 15% limit imposed by Listing Rule 7.1 will be renewed to the extent of the ratification. The Board unanimously recommends Shareholders vote in favour of Resolution 9.

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10. Resolution 10 – Approval of 10% Placement Facility

10.1 General

Listing Rule 7.1A enables an eligible entity to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of $300 million or less. The Company is an eligible entity as at the time of this Notice of Meeting as it is not included in the S&P 300 Index and has a current market capitalisation of approximately $85 million. The Company expects to continue to be an eligible entity at the date of the Meeting.

The Company previously received Shareholder approval for the 10% Placement Facility at the Company's previous annual general meeting held on 26 November 2019 and this approval will expire on 26 November 2020 (or earlier if Shareholders approve a transaction under Listing Rule 11.1.2 or 11.2).

The Company is now seeking fresh Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

10.2 Requirements under Listing Rule 7.1A

1. Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at the Annual General Meeting, which requires the approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the cast of a corporate Shareholder, by a corporate representative). A resolution under Listing Rule 7.1A cannot be put at any other Shareholder meeting.

2. Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

As at the date of the Notice, the Company has on issue one class of quoted Equity Securities, being Shares.

3. Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D) – E

Where:

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

1. plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2 (other than exception 9, 16 or 17);

2. plus the number of fully paid ordinary securities issued in the 12 months on the conversion of convertible securities within rule 7.2 (exception 9) where:

   (A) the convertible securities were issued or agreed to be issued before the commencement of the 12 months; or

   (B) the issue of, or agreement to issue, the convertible securities was approved, or taken under these Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,

3. plus the number of fully paid ordinary securities in the 12 months under an agreement to issue securities within Listing Rule 7.2 (exception 16) where:

   (A) the agreement was entered into before the commencement of the relevant period; or

   (B) the agreement or issue was approved or

taken under these rules to have been approved under Listing Rule 7.1 or Listing Rule 7.4,

4. plus the number of any other fully paid ordinary securities issued in the 12 months with approval under Listing Rule 7.1 or Listing Rule 7.4 (noting that this may include fully paid ordinary securities issued in the 12 months under an agreement to issue securities within Listing Rule 7.2 (exception 17) where the issue is subsequently approved under Listing Rule 7.1),

5. plus the number of partly paid ordinary securities that became fully paid in the 12 months;

6. less the number of fully paid ordinary securities cancelled in the 12 months.

Note: A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months where the issue or agreement to issue has not been subsequently approved by Shareholders under Listing Rule 7.4.

(a) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 2,079,170,071 Shares. If Resolution 10 is passed, the Company will be permitted to issue (as at the date of this Notice):

1. 12,962,545 Equity Securities under Listing Rule 7.1; and

2. 167,374,609 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities the Company will be permitted to issue under Listing Rule 7.1A will be calculated at the date of issue or agreement to issue the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 10.2(3) above).

The effect of Resolution 10 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A without using the Company's placement capacity under Listing Rule 7.1.

10.3 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

1. Listing Rule 7.3A.1 – Placement Period

The Company previously received Shareholder approval for the 10% Placement Facility at its annual general meeting held on 26 November 2019. This approval is valid as at the date of this Notice.

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date

of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

1. the date that is 12 months after the date of the annual general meeting at which the approval is obtained.

2. The time and date of the entity's next annual general meeting.

3. The time and date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

2. Listing Rule 7.3A.2 – Minimum price

Equity Securities issued under Listing Rule 7.1A must be issued for cash consideration and the issue price of Equity Securities must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

1. the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

2. if the Equity Securities are not issued within 10 trading days of the date in paragraph (1) above, the date on which the Equity Securities are issued.

3. Listing Rule 7.3A.3 – Purposes for which the new Equity Securities may be issued

The Company intends to use the cash consideration from any Shares issued under the 10% Placement Facility to accelerate the development and commercialisation of the Company's core technology and business and for general working capital.

4. Listing Rule 7.3A.4 – Risk of economic and voting dilution

If Resolution 10 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are exercised) to the extent Shareholders do not receive any Shares under the issue. There is a risk:

1. the market price for the Company's existing Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and

2. the new Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice. For the purpose of Listing Rule 7.3A.2, the table also shows:

- two examples, where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement issue or scrip

issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- two examples, where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		**Dilution**		
		$0.029 **50% decrease in Issue Price**	**$0.058** **Current Market/ Issue Price**	**$0.087** **50% increase in Issue Price**
Current Variable A 1,673,746,093 Shares	**10% Voting Dilution**	167,374,609 Shares	167,374,609 Shares	167,374,609 Shares
	Funds Raised	$4,853,864	$9,707,727	$14,561,591
50% Increase in Variable A 2,510,619,140 Shares	**10% Voting Dilution**	251,061,914 Shares	251,061,914 Shares	251,061,914 Shares
	Funds Raised	$7,280,796	$14,561,591	$21,842,387
100% Increase in Variable A 3,347,492,186 Shares	**10% Voting Dilution**	334,749,219 Shares	334,749,219 Shares	334,749,219 Shares
	Funds Raised	$9,707,727	$19,415,455	$29,123,182

The table has been prepared on the following assumptions:

1. the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;

2. no Options or performance rights are exercised into Shares before the date of the issue of the Equity Securities;

3. the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;

4. the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting;

5. the table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1;

6. the issue of Equity Securities under the 10% Placement Facility consists only of Shares; and

7. the issue price is $0.058, being the closing price of the Shares on ASX on 15 October 2020.

(c) Listing Rule 7.3A.5 – Allocation policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:

- the methods of raising funds available to the Company, including but not limited to rights issues or other issues in which existing security holders can participate;
- the effect of the issue of new Equity Securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate, financial and broking advisers (if applicable).

As at the date of this Notice the allottees are not known but may include existing substantial Shareholders and/or new Shareholders. No allottee under the 10% Placement Facility will be a Related Party or associate of a Related Party. Existing Shareholders may or may not be entitled to subscribe for any Equity Securities issued under the 10% Placement Facility, and it is possible that their Shareholding will be diluted.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any Equity Securities using the 10% Placement Facility.

(b) Listing Rule 7.3A.6 – Details of Equity Securities issued during past 12 months

During the 12 months prior to the date of the Annual General Meeting, and assuming no further issue of securities occurs between the date of this Notice of Meeting and the date of the Annual General Meeting, the Company issued a total of 167,324,609 Equity Securities under Listing Rule 7.1A during the 12 months preceding the date of this Meeting, representing approximately 11% of the total diluted number of Equity Securities on issue in the Company 12 months prior to the date of this Meeting, being at 26 November 2020.

Further information relating to issues of Equity Securities under Listing Rule 7.1A by the Company in the 12 months prior to the date of this Meeting is set out in the table at Annexure A.

All Shares issued under the 10% Placement Facility during the past 12 months complied with the requirement of Listing Rule 7.1A.3 that the issue price of securities must be no less than 75% of the 15 Trading Day VWAP.

10.4 Voting Exclusion Statement

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

10.5 Board recommendation

The Board believes the 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's Share capital during the next 12 months. Accordingly, the Directors of the Company believe Resolution 10 is in the best interests of the Company and unanimously recommend Shareholders vote in favour of Resolution 10.

11. Definitions

In this Notice, Explanatory Memorandum and Proxy Form:

$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 10.1.

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

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

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2018.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting.

Closely Related Party or **Associate** means, as defined in the Corporations Act, a closely related party of a member of the Key Management Personnel, being:

1. a spouse or child of the member; or
2. a child of the member's spouse; or
3. a dependent of the member or of the member's spouse; or
4. 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 dealings with the entity; or
5. a company the member controls; or
6. a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or **FBR** means FBR Limited ACN 090 000 276.

Constitution means the current constitution of the Company.

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

Director means a director of the Company.

Directors' Report means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act

for the Company and its controlled entities.

Key Management Personnel means the 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 ASX.

Managing Director means the managing Director of the Company.

Notice or **Notice of Meeting** means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Placement and **Placement Shares** each have the meaning set out in Section 6.1.

Proxy Form means the proxy form attached to the Notice.

Related Party is defined in section 228 of the Corporations Act.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Spill Meeting means the meeting that will be convened within 90 days of this Meeting if a threshold of votes is cast against Resolution 1 of this Notice of Meeting.

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

VWAP means volume weighted average price.

ANNEXURE A

Equity Securities issued by the Company under Listing rule 7.1A during the 12 months preceding the Annual General Meeting

Date	Class of Equity Securities issued	Number of equity securities issued	Summary of Terms	Names of Persons to Whom Equity Securities Issued	Issue Price and discount to market price on date of issue (if any)	Consideration and how consideration was spent or is to be spent
25 August 2020	**Fully paid Ordinary shares**	167,324,609	**Placement**	**Professional & sophisticated shareholders**	$0.057 12% discount	**$9,537,503** As at the date of this Notice the $9.5 million capital raising has been partially utilised to partially fund Hadrian X development costs and ongoing corporate overheads. As at the date of this Notice, $2 million of the $9.5 million raised has been spent. The remainder of the funds are intended to be spent on working capital and continuing the commercialisation pathway for the Hadrian technology.

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SCHEDULE 1 – SUMMARY OF EMPLOYEE SECURITIES INCENTIVE PLAN

Eligible Participant

Eligible Participant means a person that:

a) is an 'eligible participant' (as that term is defined in ASIC Class Order [**CO 14/1000**]) in elation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order [14/1000]); and

b) 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:

a) assist in the reward, retention and motivation of Eligible Participants;

b) link the reward of Eligible Participants to Shareholder value creation; and

c) 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.

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. 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 Securities 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 of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

Terms of Convertible Securities

Each 'Convertible Security' represents a right to acquire one Share (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security.

A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

Vesting of Convertible Securities

Any vesting conditions applicable to the grant of 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 Convertible Security will lapse.

Exercise of Convertible Securities and Cashless Exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, 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.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security 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.

Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant

has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

Change of Control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's 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.

Rights attaching to Plan Shares

All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

Disposal Restrictions on Plan Shares

If the invitation provides that any Plan Shares 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.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or

b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

Adjustment of Convertible Securities

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 Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. 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 holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment 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. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

Participation in New Issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

Amendment of Plan

Subject to ASX Listing Rules requirements and 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.

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.

Plan Duration

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.

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.