ASX Announcement

Allocation of Incentive Awards

Monday 26 July 2021: Spectur Limited (**ASX: SP3**) (**Spectur** or the **Company**) advises that on 23 July 2021 it completed the allocation of incentive awards to certain key management and senior employees under its Employee Incentive Scheme approved at the Company's 2019 Annual General Meeting (**Scheme**).

The Company is undergoing an important stage of development with significant opportunities and challenges in both the near and long-term as it moves to execute its strategic plan and pursue an ambitious growth trajectory. It is important for the Company to provide the best opportunity for continuity in a board and key management levels throughout this next stage.

Long Term Incentives - Performance Rights

Key Management Personnel

3,065,012 Performance Rights were allocated and issued to key management personnel and senior employees (other than directors) under the Scheme as long-term incentives. Refer to the attached Annexure A for the details of the performance and vesting conditions.

Managing Director

In addition to the above issue, and pursuant to his Executive Employment Contract, Managing Director Dr Gerard Dyson, has been allocated 2,083,333 Performance Rights on the same terms and conditions. The issue of the Performance Rights to Dr Dyson is conditional on the receipt of shareholder approval which is to be sought at the Company's 2021 Annual General Meeting (**AGM**).

Terms of Performance Rights

The Performance Rights are issued for nil cash consideration, but will not vest unless the performance conditions set by the Board have been satisfied, with the final quantum to be determined on the vesting and measurement date of 30 June 2023. Refer to the attached Annexure A for the details of the performance conditions.

Incentive Options

Key Management Personnel

In recognition of the continued dedication of the key management and senior employees of Spectur, in particular during FY20 and FY21, throughout periods of Company imposed salary reductions, the Board issued 2,200,000 unquoted Options to members of Spectur's key management personnel (other than Directors) under the Scheme.

The Options are exercisable at $0.10, being a 43% premium to the SP3 5-day Volume Weighted Average Share Price (**VWAP**) prior to 30 June 2021, and have an expiry date of 30 June 2014. The Options are not subject to vesting conditions.

The Board

The Board has also resolved to issue, conditional on the receipt of shareholder approval to be sought at

the AGM, 2,100,000 Incentive Options under the Scheme as follows:

- 1,100,000 Incentive Options to the Managing Director, Dr Gerard Dyson; and
- 500,000 Incentive Options to each of the Non-Executive Directors, Bilyana Smith and Darren Cooper.

The Director Incentive Options will be unquoted, exercisable at a 42% premium to the VWAP to be calculated based upon the 5-day period up to and including the date of the AGM. The Options will not be subject to vesting conditions.

ASX Requirements

The incentive awards are considered to be 'ordinary course of business remuneration securities' for the purposes of ASX Guidance Note 19. In this regard, the incentive awards:

- are not transferrable;
- do not confer any right to vote, except as otherwise required by law;
- do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors;
- do not confer any right to a return of capital, whether in a winding-up, upon a reduction of capital or otherwise;
- do not confer any right to participate in the surplus profits or assets of the Company upon a winding-up; and
- do not confer any right to participate in new of securities, such as bonus issues or entitlement issues.

Cancellation of Performance Rights

A total of 1,024,676 FY20 and FY21 Performance Rights were cancelled due to the vesting conditions no longer being attainable due to cessation of employment.

Ends.

This ASX release is authorised by the Board of Directors of Spectur Limited.

For further information, please contact:

Corporate enquiries

Spectur Limited
Gerard Dyson
p: +61 (08) 9414 9059
e: investors@spectur.com.au

ANNEXURE A – PERFORMANCE RIGHTS VESTING CONDITIONS

The measurement date for the FY22 Performance Rights is set at 30 June 2023. The following table outlines key business objectives and the weightings of the performance conditions:

<table>
<tr><td>Exercise Price per Performance Right</td><td>Nil.</td></tr>
<tr><td>Expiry Date of Performance Rights</td><td>30 June 2024</td></tr>
<tr><td>Vesting Conditions</td><td>The Performance Rights will vest subject to satisfaction of the following conditions (Vesting Conditions):
in respect of 50% of Performance Rights, satisfaction of the revenue Performance Hurdle set out below;
in respect of 50% of Performance Rights, satisfaction of the EBITDA Performance Hurdle set out below;
the holder not being dismissed for cause or resigning before the other vesting conditions are satisfied.
The vesting condition may be waived at the absolute discretion of the Board.</td></tr>
<tr><td>Performance Hurdles</td><td>The Performance Rights are subject to achievement of the following performance hurdles (Performance Hurdles), whereby the percentage of Performance Rights which will vest depend upon achievement against budgeted results for revenue and EBITDA:<table><tr><th>Details</th><th>Low Budget ($)</th><th>Base Budget ($)</th><th>High Budget ($)</th></tr><tr><td>Full year FY23 Revenue</td><td>0%</td><td>70%</td><td>100%</td></tr><tr><td>Full year FY23 EBITDA</td><td>0%</td><td>70%</td><td>100%</td></tr></table>No Performance Rights will vest for achievement of less than Low Budget. The number of Performance Rights vesting will be calculated linearly based upon achievement of results between Low to Base, and High, with 70% of awards vesting on achievement of Base Budget results, with 100% vesting on achievement and High Budget results (calculated linearly in between).

The Performance Hurdles will be assessed by reference to the Company's audited financial statements for the financial year ended 30 June 2023.

Revenue will exclude or disregard:
one-off or extraordinary revenue items;
revenue received in the form of government grants, allowances, rebates or other hand-outs; and
revenue or profit that has been "manufactured" to achieve the vesting condition.</td></tr>
</table>

Exercise	Upon vesting, the holder has the election to exercise the Performance Right into fully paid ordinary shares up to the Expiry Date (**Exercise Period**). Any Performance Right that has not been exercised before the Expiry Date will automatically lapse and be cancelled. For the avoidance of doubt, the vesting of a Performance Right will not automatically trigger the exercise of the Performance Right.
Restrictions and Personal Offer	Except where a Performance Right may be transferred under the Plan Rules or unless otherwise approved by the Board at its absolute discretion, a Performance Right (and any interest therein) is personal to the recipient and may not be exercised by another person or disposed of, or any security interest, encumbrance or third party right granted, or created, over it, or otherwise dealt with by the recipient. Subject to the Company's constitution, the ASX Listing Rules, any applicable law any share acquired as a result of the exercise of a Performance Right may be dealt with freely.
Leavers	If cessation of employment occurs, the following treatment will apply in respect of unvested Performance Rights: • If the participant ceases employment with Spectur on resignation or on termination for cause, unvested rights will normally be forfeited. • If the participant ceases employment in other circumstances (for example, due to illness, total or permanent disablement, retirement, redundancy or other circumstances determined by the Board), unvested rights will stay 'on foot' and may vest at the end of the original performance period to the extent performance conditions are met. The Board may determine in its discretion that the number of rights available to vest will be reduced pro-rata for time at the date employment ceases. The Board will retain discretion to allow for accelerated vesting (pro-rated for performance and/or time) in special circumstances (as opposed to allowing unvested rights to remain 'on foot' on cessation of employment).
Change of Control	In the event of a change of control the Board may take into account the following factors in determining, in its absolute discretion, the number of Performance Rights available to vest: i) the proportion of the performance period that has passed at the time of the change of control; ii) the partial achievement of any performance conditions at the time of the change of control; and iii) any other factors which the Board considers relevant for the purposes of making the vesting determination, to ensure that the Long Term incentive Plan outcome is appropriate in the circumstances.