forbidden
• FOODS •

Feeding the world with the world's best

Forbidden Foods Limited
ACN 616 507 334

Notice of Annual General Meeting
Explanatory Memorandum

Date of Meeting
Thursday 4 November 2021

Time of Meeting
9.30am (Melbourne time)

Place of Meeting
Online at https://us02web.zoom.us/webinar/register/WN_fE-TWTi9QmiwZnMDiYGamA

LETTER FROM THE CHAIRMAN

Dear Shareholder

I am pleased to invite you to the 2021 Annual General Meeting ("Meeting") of Forbidden Foods Limited ("Forbidden Foods" or the "Company"), which will be held online at 9.30am (Melbourne time) on Thursday 4 November 2021. I enclose the Notice of Meeting, which sets out the items of business, and the Explanatory Memorandum, which explains each of the Resolutions to be considered at the Annual General Meeting.

In accordance with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting, unless a Shareholder has elected to receive documents in hard copy.

Due to the continuing uncertain and evolving circumstances concerning COVID-19, no physical meeting will be held this year. The Meeting will be webcast via Automic's online platform available at https://us02web.zoom.us/webinar/register/WN_fE-TWTi9QmiwZnMDiYGamA. Shareholders that have an existing account with Automic will be able to participate and vote online during the Meeting (including lodging a vote in real time and asking questions online).

To participate, Shareholders will need a desktop or mobile/tablet device with internet access to log onto the online platform, and will require their Securityholder Reference Number (SRN) or Holder Identification Number (HIN), for verification purposes. We encourage all Shareholders that do not have an account with Automic to register for an account as soon as possible, to avoid any delays accessing the online platform on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on "register" and following the prompts.

Further information regarding registration, accessing the online Meeting platform and how to vote virtually during the Meeting is set out in Automic's Registration and Voting Guide at https://www.automicgroup.com.au/virtual-agms.

In order to provide an equal opportunity for all Shareholders to ask questions, we ask you to submit in writing any questions to the Company in advance of the Meeting via email to Company Secretary, Adam Soffer c/- adam.soffer@forbiddenfoods.com.au. Written questions must be received no later than 5.00pm (Melbourne time) on Friday, 29 October 2021. The Company will also provide Shareholders with the opportunity to ask questions during the Meeting via Automic's online platform. Shareholders will be able to ask questions orally during the Meeting but will first be required to indicate their desire to speak through the webcast text chat function.

The Board considers the Annual General Meeting to be an important event on our calendar and we look forward to the opportunity to update you on Forbidden Foods and answer any questions you may have.

Voting on all resolutions will be conducted by a poll. In case you are not able to attend the Meeting online to vote in real time, the Board encourages you to complete the enclosed Proxy Form and return it by mail, email or fax in accordance with the instructions provided as soon as possible. Alternatively, you can lodge your votes online in advance of the Meeting via https://investor.automic.com.au/#/home. As Chairman, I intend to vote all proxies without voting instructions that are exercisable by me in favour of each Resolution.

If you have questions in relation to the upcoming virtual Annual General Meeting, please contact Adam Soffer, Company Secretary, by email to adam.soffer@forbiddenfoods.com.au.

I look forward to your virtual attendance and participation at the Annual General Meeting.

Yours faithfully



Mark Hardgrave

Chair

Forbidden Foods Limited ACN 616 507 334

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of the Shareholders of Forbidden Foods Limited ACN 616 507 334 (**Forbidden Foods** or the **Company**) will be held at:

Time: 9.30am (Melbourne time)
Date: Thursday 4 November 2021
Place: Online at https://us02web.zoom.us/webinar/register/WN_fE-TWTi9QmiwZnMDiYGamA

Information about participating in the Meeting is set out in Automic's Registration and Voting Guide at https://www.automicgroup.com.au/virtual-agms.

The business to be considered at the Annual General Meeting is set out below. This Notice of Meeting should be read in its entirety in conjunction with the accompanying Explanatory Memorandum, which contains information in relation to the Resolutions. If you are in any doubt as to how you should vote on the Resolutions, you should consult your financial or other professional adviser. Capitalised terms used in this Notice of Meeting and Explanatory Memorandum are defined in the Glossary and throughout this Notice of Meeting and Explanatory Memorandum.

BUSINESS OF THE MEETING

Financial Statements and Report

To receive and consider the financial report, the Directors' report and the auditor's report for the financial year ended 30 June 2021.

Resolution 1 – Adoption of the Remuneration Report

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

> *'That, in accordance with section 250R(2) of the Corporations Act, the Remuneration Report as set out in the Company's annual report for the financial year ended 30 June 2021 be adopted.'*
>
> *Note: The vote on this resolution is advisory only and does not bind the Directors or the Company. A voting exclusion applies to this resolution (see item 2 of the notes related to voting below).*

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this Resolution.

Resolution 2 – Re-election of Ms Colleen Lockwood as Director

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

> *'That Ms Lockwood, being a Director who retires by rotation in accordance with Rule 7.1(f) of the Constitution and Listing Rule 14.4, and being eligible for re-election, be re-elected as a Director of the Company.'*

The Directors (with Ms Lockwood abstaining) unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 3 – Ratification of issue of Consideration Shares

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

> *'That for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue and allotment by the Company under ASX Listing Rule 7.1 of 4,166,667 Shares to the recipients as set out in Section 4 of the Explanatory Memorandum.'*
>
> *Note: A voting exclusion applies to this resolution (see item 2 of the notes related to voting below).*

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 4 – Ratification of issue of Tranche 1 Placement Shares – ASX Listing Rule 7.1

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

> *'That for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue and allotment by the Company under ASX Listing Rule 7.1 of 7,083,481 Shares on the terms as set out in Section 5 of the Explanatory Memorandum.'*
>
> *Note: A voting exclusion applies to this resolution (see item 2 of the notes related to voting below).*

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 5 – Ratification of issue of Tranche 1 Placement Shares – ASX Listing Rule 7.1A

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

> *'That for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the prior issue and allotment by the Company under ASX Listing Rule 7.1A of 7,500,099 Shares on the terms set out in Section 6 of the Explanatory Memorandum.'*
>
> *Note: A voting exclusion applies to this resolution (see item 2 of the notes related to voting below).*

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 6 – Approval of issue of Tranche 2 Placement Shares

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

> *'That for the purposes of ASX Listing Rule 7.1 and all other purposes, the issue and allotment of 8,333,085 Shares on the terms set out in Section 7 of the Explanatory Memorandum, is approved.'*
>
> *Note: A voting exclusion applies to this resolution (see item 2 of the notes related to voting below).*

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 7 – Approval of 10% Placement Facility

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

> *'That the Company have the additional capacity to issue Equity Securities provided for in Listing Rule 7.1A.'*

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

Other Business

To consider any other business which may be properly and lawfully brought before the Annual General Meeting in accordance with the Company's Constitution and the Corporations Act.

For further details regarding each Resolution, Shareholders are referred to the notes to voting and Explanatory Memorandum that accompany, and form part of, this Notice of Meeting.

Dated 4 October 2021

By order of the Board of Directors



Adam Soffer
Company Secretary

Notes related to voting

1 Entitlement to vote and how to vote

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (Melbourne time) on Tuesday, 2 November 2021.

The meeting will be held virtually at 9.30am (Melbourne time) on Thursday 4 November 2021. Shareholders attending the virtual Annual General Meeting will be able to hear and view the Annual General Meeting on their own devices, vote on Resolutions and ask questions.

Each Resolution considered at the Meeting will be decided on a poll. You may vote in real time during the Meeting via Automic's online platform, or by proxy or duly authorised representative. Further information on how to vote using the online platform is set out in Automic's Registration and Voting Guide at https://www.automicgroup.com.au/virtual-agms/.

The Chair of the Meeting will open the poll at the beginning of the Meeting and the poll will remain open until the close of the Meeting.

You may also lodge your vote online in advance of the AGM by visiting https://investor.automic.com.au/#/home. Alternatively, you may submit your proxy form by mail, email, fax or delivery to the share registry (see further details in section 3 below).

2 Voting exclusions

Resolution 1

In accordance with sections 250BD and 250R of the Corporations Act, a vote on Resolution 1 must not be cast in any capacity by or on behalf of:

(a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or

(b) a Closely Related Party of such member.

However, a person described above may cast a vote on these resolutions if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

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

(d) the person is the Chairman and the appointment of the Chairman as proxy:

(i) does not specify the way the proxy is to vote on the resolution; and

(ii) expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

Resolutions 3, 4 and 5

The Company will disregard any votes cast in favour of Resolutions 3, 4 and 5 by, or on behalf of, any person who participated in the issue of the Shares referred to in Resolutions 3, 4 and 5, or any associates of that person. However, this does not apply to a vote cast in favour of Resolutions 3, 4 and 5 by:

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

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

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

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

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

Resolution 6

The Company will disregard any votes cast in favour of Resolution 6 by, or on behalf of, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Shares the subject of Resolution 6, except a benefit solely by reason of that person being a holder of Shares, if the Resolution is passed, or any associates of those persons.

However, this does not apply to a vote cast in favour of Resolution 6 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, on the Resolution; and

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

3 Voting by proxy

Any Shareholder entitled to attend and vote at the virtual Meeting is entitled to appoint a proxy to attend and vote instead of that Shareholder. The proxy does not need to be a Shareholder of the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Meeting, so that it is received by no later than 9.30am (Melbourne time) on Tuesday 2 November 2021 at:

Online	https://investor.automic.com.au/#/loginsah
By mail:	Forbidden Foods Limited c/- Automic Pty Ltd GPO Box 5193 Sydney NSW 2001
By facsimile	+61 2 8583 3040

By hand: Automic Pty Ltd
Level 5, 126 Phillip Street, Sydney, NSW, 2000

By email: meetings@automicgroup.com.au

Appointing a body corporate as proxy

If a Shareholder appoints a body corporate as a proxy, that body corporate will need to ensure that it:

- appoints an individual as its corporate representative to exercise its powers at the Meeting, in accordance with section 250D of the Corporations Act; and
- provides satisfactory evidence of the appointment of its corporate representative prior to the commencement of the Meeting.

Your Proxy Form is enclosed

The Proxy Form is an important document. Please read it carefully.

If you are unable to attend the virtual Annual General Meeting, please complete the enclosed proxy form and return it in accordance with the instructions set out in the Proxy Form.

Chairman's intention regarding undirected proxies

The Chairman intends to vote all proxies without voting instructions that are exercisable by the Chairman of the Meeting in favour of each Resolution.

4 Corporate representatives and attorneys

A body corporate that is a Shareholder, or which has been appointed as a proxy, may appoint an individual to act as its corporate representative at the Meeting. The appointment must comply with section 250D of the Corporations Act and the representative should be provided with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that corporate Shareholder's or proxy's representative.

The representative should send evidence of his or her appointment to the Company (address above) in advance of the Meeting (including any authority under which it has been signed).

Any Shareholder entitled to attend and vote at the virtual Meeting may appoint an attorney to act on its behalf at the Meeting. An attorney may, but need not be a member of the Company. Any attorney may not vote at the virtual Meeting unless the instrument appointing the attorney, and the authority under which the instrument is signed (or a certified copy) are received by the Company in the same manner, and by the same time, as outlined for Proxy Forms.

5 Questions for the Auditor

Shareholders may submit written questions to the Company's Auditor, PKF, if the question is relevant to the content of PKF's auditors report for the year ended 30 June 2021.

Relevant written questions for the Auditor must be received by the Company by no later than 5.00pm (Melbourne time), Thursday 21 October 2021. Please send any written questions to:

Company Secretary, Adam Soffer c/- adam.soffer@forbiddenfoods.com.au.

Explanatory Memorandum

This Explanatory Memorandum has been prepared to help Shareholders understand the items of business at the forthcoming Annual General Meeting.

1 Financial Statements and Reports

The Corporations Act requires that the report of the Directors, the Auditor's report and the financial report for the Company for the year ended 30 June 2021 be laid before the Meeting.

Neither the Corporations Act nor the Company's Constitution requires a vote of Shareholders at the Meeting on the reports or statements. However, Shareholders will be given a reasonable opportunity to raise questions with respect to these reports at the Meeting.

In accordance with the Corporations Act, the Company is not required to provide a hard copy of the Company's annual report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. Shareholders may view the Company's annual report on the Company's website at http://www.forbiddenfoodsgroup.com/ or may request a copy from the Company at any time.

A reasonable opportunity will be given to Shareholders at the Meeting to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company and the independence of the Auditor.

2 Resolution 1 – Adoption of Remuneration Report

Under sections 249L and 250R of the Corporations Act, public companies are required to meet disclosure requirements in respect of Director and executive remuneration, and to include a Remuneration Report in the Directors' report to Shareholders.

The Remuneration Report for the 12 months ended 30 June 2021 commences on page 10 of the 2021 Annual Report.

The vote on Resolution 1 is advisory only and will not be binding on the Board or the Company.

Notwithstanding the non-binding nature of the vote, the Board will take note of the outcome of the vote when considering future remuneration matters.

Under the Corporations Act, if at least 25% of the votes cast on Resolution 1 are against the adoption of the relevant remuneration report at two consecutive annual general meetings (with a 25% or more vote 'against' commonly referred to as a "first strike" or "second strike"), the Company will be required to put to Shareholders a resolution at the later of those annual general meetings proposing that an extraordinary general meeting (**Spill Meeting**) be called to consider the election of directors of the company (**Spill Resolution**). The Spill Meeting must be held within 90 days of the date of the second annual general meeting. For a Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

At the Company's 2020 Annual General Meeting, only 0.17% of the votes cast were against the adoption of the relevant remuneration report, therefore no "first strike" has been recorded.

Recommendation

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1.

3 Resolution 2 – Re-Election of Colleen Lockwood as a Director

Ms Colleen Lockwood was appointed as a Director of the Company in January 2020, prior to the Company listing on the ASX in August 2020.

3.1 Constitution and ASX Listing Rule 14.4

Rule 7.1(f) of the Company's Constitution and Listing Rule 14.4 provide that a Director must not hold office without re-election past the third annual general meeting following the Director's appointment or 3 years, whichever is longer. Listing Rule 14.4 applies such that a Director appointed prior to the Company's initial public offering and admission to ASX must not hold office (with-out re-election) past the third annual general meeting following admission or 3 years, whichever is longer.

Colleen Lockwood is the equal longest serving director who has not been re-elected, other than the CEO and accordingly Ms Lockwood retires by rotation at the Annual General Meeting and, being eligible, offers herself for re-election as a Director.

3.2 Biography of Ms Colleen Lockwood

Colleen was appointed as a director in January 2020 and has extensive experience in the Food and Beverage Industry. She has previously worked as a Business Development Director for Golden State Foods, where she coordinated business units in the retail and foodservice sectors across Asia Pacific, the Middle East and Africa. Colleen has also held senior positions at Kraft Heinz, where she was a member of the Australian leadership team. During her time at Kraft Heinz, Colleen has been responsible for market strategies, international tenders, customer relationship management, sales teams and the commercial performance of the Australian foodservice business unit.

Colleen is currently the business relationship manager at Turosi, a leading, privately owned Australian food manufacturer and supplier.

With over 20 years' relevant experience and a deep understanding of the Food and Beverage Industry, Colleen is well equipped to be a Director of Forbidden Foods and help guide its development and growth.

Colleen is the chair of Forbidden Foods' Remuneration and Nomination Committee and a member of its Audit, Risk and Compliance Committee.

3.3 Recommendation

The Directors (with Ms Lockwood abstaining) unanimously recommend that Shareholders vote in favour of Resolution 2.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 2.

4 Resolution 3 – Ratification of issue of Consideration Shares

4.1 Background

On 10 September 2021, the Company announced it had entered into a conditional share purchase agreement (**Purchase Agreement**) to acquire 100% of the issued shares in Blue Dinosaur for a purchase price of up to $4.0 million (**Acquisition**). Completion of the Acquisition occurred on 1 October 2021.

Blue Dinosaur is a family business founded in 2011 by Michael and Tina Watts-Seale (together, the **Vendors**), with a focus on producing healthy snack products that appeal to active and health-conscious millennials.

Blue Dinosaur has a range of healthy bars and bites, with further new products in the pipeline, all created using simple real food ingredients. As the Blue Dinosaur brand grows and offers more products, it continues to broaden its customer demographic and audience to capture a wider portion of customers.

The Blue Dinosaur product range of plant-based foods is highly complementary to Forbidden Foods' other brands and product ranges. The Acquisition provides the opportunity for the Company to capitalise an existing overlap in the supply chain of both businesses in the procurement of key ingredients and other products.

Blue Dinosaur distributes internationally and nationally into major and independent sales channels with over 8,000 outlets, including major supermarkets, independent grocers and health food stores. The Acquisition will extend Forbidden Foods' presence in the rapidly growing plant-based food market and provides the Company with the opportunity to accelerate international growth and enhance distribution in global markets.

4.2 Consideration for the Acquisition

Under the Purchase Agreement, the purchase price for Blue Dinosaur is comprised as follows:

- $2.0 million cash consideration payable at completion of the Acquisition; plus
- $1.2 million of Shares in the Company (**Consideration Shares**) to be issued at completion of the Acquisition to the Vendors; plus
- an earn out of $800,000 payable in cash, subject to Blue Dinosaur achieving minimum revenue of $3.75 million within 12 months from completion.

A total of 4,166,667 Consideration Shares will be issued and allotted on completion of the Acquisition at a fixed price of $0.288 per Share (being the VWAP of Shares for the 5 Trading Days prior to the date of the Purchase Agreement). The Consideration Shares will rank equally with other Shares on issue.

The Consideration Shares will be subject to voluntary escrow restrictions from the date of completion as follows:

- one third of the Consideration Shares for 12 months;
- one third of the Consideration Shares for 18 months; and
- one third of the Consideration Shares for 24 months.

4.3 ASX Listing Rule 7.4

The Board is permitted to issue or agree to issue up to 15% of the Company's issued capital without Shareholder approval over any 12 month period under ASX Listing Rule 7.1.

All of the Consideration Shares issued were issued utilising the Company's existing capacity under ASX Listing Rule 7.1.

Under ASX Listing Rule 7.4, the Company can seek Shareholder approval and ratification of an issue of Shares made in reliance on the Company's available placement capacity under ASX Listing Rule 7.1. If given, the effect of the ratification is to deem that the Shares issued were issued with Shareholder approval, such that, from the date of the approval, the Board is again able to issue up to 15% of the issued capital without Shareholder approval.

Resolution 3 seeks Shareholder approval to ratify the prior issue and allotment of the 4,166,667 Consideration Shares for the purposes of ASX Listing Rule 7.4.

If Shareholder approval is not given, the Consideration Shares will count in calculating the Company's 15% limit under ASX Listing Rule 7.1, therefore effectively decreasing the number of Shares the Company can issue under ASX Listing Rule 7.1 without Shareholder approval over the 12 month period following the issue date of the Consideration Shares.

If Resolution 3 is passed, the issue of Consideration Shares will be excluded from the calculation of the number of Shares that the Company can issue without Shareholder approval under Listing Rule 7.1.

4.4 ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

Number of Consideration Shares issued:	4,166,667
Date on which the Consideration Shares were issued:	1 October 2021
The issue price of the Consideration Shares and the consideration received:	$0.288 per Share and the consideration received is the acquisition of Blue Dinosaur.
The names of the persons who were issued Consideration Shares or the basis on which those persons were determined:	The Consideration Shares will be issued to the Vendors.
Material terms of the agreement under which the Consideration Shares were issued:	Material terms of the Purchase Agreement are set out in section 4.2.
Terms of the Consideration Shares:	The Consideration Shares will be fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares issued by the Company.
The intended use of funds raised:	No funds will be raised from the issue of the Consideration Shares.
Voting Exclusion:	A voting exclusion statement is included in the Notice of Meeting.

4.5 Recommendation

The Directors do not have any material interest in the Acquisition and outcome of Resolution 3 other than as a result of their interest arising solely in the capacity of Shareholders of the Company.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.

5 Resolution 4 - Ratification of issue of Tranche 1 Placement Shares – ASX Listing Rule 7.1

5.1 Background

On 10 September 2021, in conjunction with the Acquisition, the Company announced a capital raising comprising:

- a placement of new Shares in the Company to institutional investors to raise $5.5 million (**Placement**), with the Shares to be issued under the Placement being issued in two tranches as follows:

- 14,583,580 Shares being issued in reliance on the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A (**Tranche 1 Placement**); and
- 8,333,085 Shares being issued conditional upon receipt of approval from Shareholders for the purposes of ASX Listing Rule 7.1 (**Tranche 2 Placement**);

- share purchase plan offered to eligible Shareholders of up to $30,000 per Shareholder, to raise up to $1 million (**SPP**).

The issue price payable per Share under the Placement and SPP is $0.24 per Share.

5.2 ASX Listing Rule 7.4

As outlined above, the Board is permitted to issue up to 15% of the Company's issued capital without Shareholder approval over any 12 month period under ASX Listing Rule 7.1.

7,083,481 Shares were issued under the Tranche 1 Placement utilising the Company's existing capacity under ASX Listing Rule 7.1 (**Tranche 1 Placement 7.1 Shares**).

Under ASX Listing Rule 7.4, the Company can seek Shareholder approval and ratification of an issue of Shares made in reliance on the Company's available placement capacity under ASX Listing Rule 7.1. If given, the effect of the ratification is to deem that the Shares issued were issued with Shareholder approval, such that, from the date of the approval, the Board is again able to issue up to a further 15% of the issued capital without Shareholder approval.

Resolution 4 seeks Shareholder approval to ratify the prior issue and allotment of the 7,083,481 Tranche 1 Placement 7.1 Shares, which were issued in reliance on the Company's available capacity under ASX Listing Rule 7.1.

If Shareholder approval is not given, the Tranche 1 Placement 7.1 Shares will be included in calculating the Company's 15% limit under ASX Listing Rule 7.1, therefore effectively decreasing the number of Shares the Company can issue under ASX Listing Rule 7.1 without Shareholder approval over the 12 month period following the issue of the Tranche 1 Placement 7.1 Shares.

If Resolution 4 is passed, the issue of Tranche 1 Placement 7.1 Shares will be excluded from the calculation of the number of Shares that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

5.3 ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

Number of Tranche 1 Placement 7.1 Shares issued:	7,083,481.
Date on which the Tranche 1 Placement 7.1 Shares were issued:	16 September 2021.
The issue price of the Tranche 1 Placement 7.1 Shares:	$0.24 per Share.
The persons who were issued Tranche 1 Placement 7.1 Shares or the basis on which those persons were determined:	The Tranche 1 Placement 7.1 Shares were issued to sophisticated and professional investors which were selected by the lead manager of the Placement, BW Equities Pty Ltd ACN 146 642 462 (**Lead Manager**), in conjunction with the Company. None of the participants in the Tranche 1 Placement were Directors, associates of Directors or related parties of the Company.
Terms of the Tranche 1 Placement 7.1	The Tranche 1 Placement 7.1 Shares were fully

Shares:	paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares issued by the Company.
The intended use of funds raised:	Funds raised from the issue of the Tranche 1 Placement 7.1 Shares have been used for working capital and funding requirements of the Company and to satisfy part of the consideration payable by the Company to the Vendors at completion of the Acquisition.
Voting Exclusion:	A voting exclusion statement is included in the Notice of Meeting.

5.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 4.

6 Resolution 5 – Ratification of issue of Tranche 1 Placement Shares – ASX Listing Rule 7.1A

6.1 Background

At the Company's 2020 annual general meeting, the Company received Shareholder approval under ASX Listing Rule 7.1A to increase the Company's placement capacity. The Company issued 7,500,099 Shares under the Tranche 1 Placement utilising the Company's existing capacity under ASX Listing Rule 7.1A (**Tranche 1 Placement 7.1A Shares**).

6.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that, in addition to issues permitted without prior Shareholder under ASX Listing Rule 7.1, an entity which is eligible and obtains approval under ASX Listing Rule 7.1A may, during the period for which the approval is valid, issue or agree to issue a number of equity securities, in an existing class of quoted equity securities, which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period, as adjusted in accordance with the formula in ASX Listing Rule 7.1A.2. As noted above, the Company obtained the requisite Shareholder approval to increase its placement capacity by an extra 10% under Listing Rule 7.1A at its 2020 annual general meeting.

The issue of the Tranche 1 Placement 7.1A Shares does not fit within any of the exceptions to ASX Listing Rule 7.1A and, as the issue of the Tranche 1 Placement Shares has not yet been approved by Shareholders, it is effectively using up the Company's additional 10% limit under ASX Listing Rule 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under ASX Listing Rule 7.1A for the 12-month period following the issue of the Tranche 1 Placement 7.1A Shares.

6.3 ASX Listing Rule 7.4

Under ASX Listing Rule 7.4, the Company can seek Shareholder approval and ratification of an issue of Shares made in reliance on the Company's available placement capacity under ASX Listing Rule 7.1A. If given, the effect of the ratification is to deem that the Shares issued were issued with Shareholder approval, such that, from the date of the approval, the Board is again able to issue further securities without Shareholder approval under that rule.

Resolution 5 seeks Shareholder approval and ratification pursuant to ASX Listing Rule 7.4 for the prior issue of the 7,500,099 Tranche 1 Placement 7.1A Shares, which were issued in reliance on the Company's available placement capacity under ASX Listing Rule 7.1A.

If Resolution 5 is not passed, the Tranche 1 Placement 7.1A Shares will be included in calculating the Company's additional 10% placement capacity under ASX Listing Rule 7.1A, therefore effectively decreasing the number of Equity Securities the Company can issue under ASX Listing Rule 7.1A without Shareholder approval over the 12 month period following the issue of the Tranche 1 Placement 7.1A Shares.

If Resolution 5 is passed, the issue of Tranche 1 Placement 7.1A Shares will be excluded from the calculation of the number of Shares that the Company can issue without Shareholder approval under ASX Listing Rule 7.1A.

6.4 ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.5:

Number of Tranche 1 Placement 7.1A Shares issued:	7,500,099.
Date on which the Tranche 1 Placement 7.1A Shares were issued:	16 September 2021.
The issue price of the Tranche 1 Placement 7.1A Shares:	$0.24 per Share.
The persons who were issued Tranche 1 Placement 7.1A Shares or the basis on which those persons were determined:	The Tranche 1 Placement 7.1A Shares were issued to sophisticated and professional investors which were selected by the Lead Manager in conjunction with the Company. None of the participants in the Tranche 1 Placement were Directors, associates of Directors or related parties of the Company.
Terms of the Tranche 1 Placement 7.1A Shares:	The Tranche 1 Placement 7.1A Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares issued by the Company.
The intended use of funds raised:	Funds raised from the issue of the Tranche 1 Placement 7.1A Shares have been used for working capital and funding requirements of the Company and to satisfy part of the consideration payable by the Company to the Vendors at completion of the Acquisition.
Voting Exclusion:	A voting exclusion statement is included in the Notice of Meeting.

6.5 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 5.

7 Resolution 6 – Approval of issue of Tranche 2 Placement Shares

7.1 Background

As announced by the Company on 10 September 2021, the Company successfully completed the Tranche 1 Placement, raising $3.5 million.

As stated in section 5.1, the Company announced that the Placement would be undertaken in two tranches, with the issue of Shares under the Tranche 1 Placement being issued under the Company's existing capacity under ASX Listing Rules 7.1 and 7.1A, and the Tranche 2 Placement being subject to Shareholder approval.

7.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that the Company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of ordinary securities on issue at the commencement of that period. Resolution 6 seeks Shareholder approval to allow the Company to issue and allot 8,333,085 Shares under the Tranche 2 Placement (**Tranche 2 Placement Shares**).

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares during the period of 3 months after the Meeting, without using the Company's 15% available placement capacity under ASX Listing Rule 7.1.

If Resolution 6 is not passed, the Company will only be able to issue the Tranche 2 Placement Shares when it can do so using its placement capacity under ASX Listing Rule 7.1. This is dependant on Shareholders approving Resolutions 3 and 4.

7.3 ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of ASX Listing Rule 7.3:

Maximum number of Tranche 2 Placement Shares which will be issued:	8,333,085.
Date on which the Tranche 2 Placement Shares will be issued:	The Tranche 2 Placement Shares will be issued on 12 November 2021, subject to approval of Resolution 6 and in any event no later than three months after the Meeting.
The issue price of the Tranche 2 Placement Shares:	$0.24 per Share.
Persons who will participate in the issue of the Tranche 2 Placement Shares:	The Tranche 2 Placement Shares will be issued to persons who qualify as sophisticated and professional investors, as determined and selected by the Lead Manager in conjunction with the Company. None of the participants in the Tranche 2 Placement are Directors, associates of Directors or related parties of the Company.
Terms of the Tranche 2 Placement Shares:	The Tranche 2 Placement Shares will be fully paid ordinary shares in the Company and will rank equally in all respects with the Company's existing Shares.
The intended use of funds raised:	Funds raised from the issue of the Tranche 2 Placement Shares will be used for working capital

	and funding requirements of the Company.
Voting Exclusion:	A voting exclusion statement is included in the Notice of Meeting.

7.4 Recommendation

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

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 6.

8 Resolution 7 – Approval of 10% Placement Facility

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility to provide the Company with additional flexibility to issue Equity Securities in appropriate circumstances. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (described further below).

8.1 ASX Listing Rule 7.1A

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

Under Listing Rule 7.1A, an eligible entity can seek approval from its members by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% for the 12 months following that meeting.

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 and which has a market capitalisation of $300 million or less. The Company is an eligible entity for these purposes.

Resolution 7 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without further Shareholder approval (**10% Placement Facility**).

If Resolutions 3, 4, 6 and 7 are passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and, subject to the approval of Resolutions 3, 4 and 6, will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

8.2 Further requirements of ASX Listing Rule 7.1A

10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX 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:

- the date that is 12 months after the date of the annual general meeting at which the approval is obtained (which, in the case of Resolution 7 will be 4 November 2022);
- the time and date of the Company's 2022 annual general meeting; or
- the date of the approval by holders of ordinary securities of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX,

("**10% Placement Period**").

Class of Equity Securities issued under ASX Listing Rule 7.1A

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. The Company, as at the date of this Notice of Meeting, has only one quoted class of Equity Security, being Shares.

Issue price of Equity Securities issued under ASX Listing Rule 7.1A3

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 10 Trading Days of the date in the paragraph above, the date on which the Equity Securities are issued,

(the "**Minimum Price**").

ASX Listing Rule 7.1A.4

The Company will comply with the disclosure obligations in accordance with ASX Listing Rule 7.1A.4 when it issues Equity Securities under ASX Listing Rule 7.1A.

Formula for calculating 10% Placement Facility

ASX 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 = The number of fully paid ordinary shares on issue at the commencement of the 12 months immediately preceding the date of issue or agreement to issue (the relevant period):

- plus the number of fully paid ordinary securities issued in the relevant period under an exception to ASX Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
  - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
  - the issue of, or agreement to issue the convertible securities was approved, or taken under the Listing Rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:
  - the agreement was entered into before the commencement of the relevant period; or
  - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under ASX Listing Rule 7.1 or 7.4;
- plus the number of fully paid ordinary securities issued in the relevant period with shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

- plus the number of partly paid ordinary securities that became fully paid in the relevant period;
- less the number of fully paid ordinary securities cancelled in the relevant period.

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

D = 10%

E = the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

8.3 Specific information required by ASX Listing Rule 7.3A

Pursuant to ASX Listing Rule 7.3A, the following information is provided in relation to Resolution 7:

Placement Period

If Shareholder approval is granted for Resolution 7, that approval will expire at the end of the 10% Placement Period.

The approval under ASX Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 or ASX Listing Rule 11.2.

Minimum Price

The Equity Securities will be issued at an issue price of not less than the Minimum Price.

Purpose

The Company may seek to issue the Equity Securities for cash consideration, in order to raise funds for the acquisition of new assets or investments (including expenses associated with such acquisitions), to expedite development of the Company's business and for general working capital.

Dilution

Shareholders should be aware that there is a risk of economic and voting dilution that may result from an issue of Equity Securities under the 10% Placement Facility, including the risk that:

- the market price for Equity Securities in that class may be significantly lower on the issue date than on the date of the meeting where approval is sought (i.e. the date of this Meeting); and
- the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the date of issue.

Any issue of Equity Securities under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Equity Securities under the issue.

The table below shows the potential dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 on the basis of the market price of Shares (as at close of trade on 29 September 2021 ("**Issue Price**")) and the current number of Shares on issue as at the date of this Notice of Meeting.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Facility.

Note that the number of shares currently on issue for the purposes of the table below is 93,751,246. This does not include the shares to be issued under the Share Purchase Plan which are expected to be issued on 6 October 2021 or the shares to be issued under Tranche 2 Placement Shares which are the subject of Resolution 6 in this Notice.

Number of Shares on issue: Variable "A" in ASX Listing Rule 7.1A.2		**Dilution**		
		12.0 cents **50% decrease in Issue Price**	**24.0 cents** **Issue Price**	**48.0 cents** **100% increase in Issue Price**
Current Variable A 93,751,246	10% voting dilution (shares)	9,375,124	9,375,124	9,375,124
	Funds raised	$1,125,014.88	$2,250,029.76	$4,500,059.52
50% increase in current Variable A 140,626,869	10% voting dilution (shares)	14,062,686	14,062,686	14,062,686
	Funds raised	$1,687,522.32	$3,375,044.64	$6,750,089.28
100% increase in current Variable A 187,502,492	10% voting dilution (shares)	18,750,249	18,750,249	18,750,249
	Funds raised	$2,250,029.88	$4,500,059.76	$9,000,119.52

The table also shows two examples of where:

- two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of Shares the Company has on issue as at the date of this Notice of Meeting. The number of Shares on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval, for example, a pro rata entitlement offer or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and
- two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the Issue Price.

The table above has been prepared on the following additional assumptions:

- the Company issues the maximum number of Shares available under the 10% Placement Facility; and
- the table shows only the effect of issues of Shares under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.

Allocation

The allottees of the Equity Securities to be issued under the 10% Placement Facility have not yet been determined. However the allottees could consist of current Shareholders or new investors (or both).

The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to a range of factors including:

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

Prior approval and equity issues over the preceding 12 months – ASX Listing Rule 7.3A.6

The Company previously received Shareholder approval under ASX Listing Rule 7.1A at its 2020 AGM. The table below shows the total number of Equity Securities issued or agreed to be issued by the Company under ASX Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting.

Number of Equity Securities on issue at commencement of 12 month period:	75,000,999
Equity Securities issued or agreed to be issued in the prior 12 month period:	7,500,099 Shares issued on 16 September 2021
Percentage of equity issue represent of total Equity Securities on issue at commencement of 12 month period:	10%
Number and class of Equity Securities issued:	7,500,099 Shares
The persons to whom the Equity Securities were issued or agreed to be issued:	The Shares were issued to sophisticated and professional investors under the Placement. The investors were selected by Lead Manager in conjunction with the Company.
Terms of the Equity Securities issued:	The Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares issued by the Company.
Price and discount to closing market price on the date of issue (if any):	Issue price of $0.24 per Share. Closing market price on the date of issue was $0.245, which represents a discount of 2.0%.
Consideration details:	Cash consideration of $1,800,024. Funds raised from the issue of the Shares have been used for working capital and funding requirements of the Company and to satisfy part of the consideration payable by the Company to the Vendors at completion of the Acquisition.

Voting exclusion statement

As at the date of this Notice of Meeting, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2. Accordingly, there is no exclusion statement in respect of Resolution 7.

8.4 Recommendation

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders at the Meeting (whether voting online, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

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

Glossary

In the Notice of Meeting and this Explanatory Memorandum the following defined terms have the following meanings:

10% Placement Facility has the meaning given to that term in Section 8.1 of this Explanatory Memorandum.

10% Placement Period has the meaning given to that term in Section 8.2 of this Explanatory Memorandum.

Acquisition has the meaning given to that term in Section 4.1 of this Explanatory Memorandum.

Annual General Meeting or **Meeting** means the annual general meeting of Shareholders convened by this Notice of Meeting.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given in the ASX Listing Rules.

ASX means ASX Limited or the securities exchange market operated by it, as the context requires.

ASX Listing Rules or **Listing Rules** means the official listing rules of ASX.

Blue Dinosaur means Blue Dinosaur Pty Ltd ACN 159 791 376.

Board means the board of Directors of the Company.

Chair or **Chairman** means the chairman of the Meeting.

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

(a) a spouse or child of the member;

(b) a child of the member's spouse;

(c) a dependent of the member or a member’s spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;

(e) a company the member controls; or

(f) a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or **Forbidden Foods** means Forbidden Foods Limited ACN 616 507 334.

Consideration Shares has the meaning given to that term in Section 4.2 of this Explanatory Memorandum.

Constitution means the Company's constitution.

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

Director means a director of the Company.

Equity Securities has the meaning given to that term in the official listing rules of ASX.

Minimum Price has the meaning given to that term in Section 8.2 of this Explanatory Memorandum.

Notice of Meeting or **Notice** means the notice of Annual General Meeting which accompanies this Explanatory Memorandum.

Placement has the meaning given to that term in Section 5.1 of this Explanatory Memorandum.

Purchase Agreement has the meaning given to that term in Section 4.1 of this Explanatory Memorandum.

Resolution means a resolution contained in the Notice of Meeting.

SPP has the meaning given to that term in Section 5.1 of this Explanatory Memorandum.

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

Shareholder means a holder of a Share.

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

Tranche 1 Placement has the meaning given to that term in Section 5.1 of this Explanatory Memorandum.

Tranche 1 Placement 7.1 Shares has the meaning given to that term in Section 5.2 of this Explanatory Memorandum.

Tranche 1 Placement 7.1A Shares has the meaning given to that term in Section 6.1 of this Explanatory Memorandum.

Tranche 2 Placement has the meaning given to that term in Section 5.1 of this Explanatory Memorandum.

Tranche 2 Placement Shares has the meaning given to that term in Section 7.2 of this Explanatory Memorandum.

VWAP means volume weighted average market price.

forbidden
• FOODS •

Forbidden Foods Limited | ABN 82 616 507 334

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **9.30am (Melbourne time) on Tuesday, 2 November 2021,** being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: **https://investor.automic.com.au/#/home** Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.
Joint holding: Where the holding is in more than one name, all Shareholders should sign.
Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.
Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.
Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

SAMPLE

Lodging your Proxy Voting Form:

Online:
Use your computer or smartphone to appoint a proxy at https://investor.automic.com.au/#/loginsah
or scan the QR code below using your smartphone
Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.

BY MAIL:
Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:
meetings@automicgroup.com.au

BY FACSIMILE:
+61 2 8583 3040

All enquiries to Automic:

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

VIRTUAL AGM

VIRTUAL PARTICIPATION AT THE AGM:

The company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic, where shareholders will be able to watch, listen, and vote online.

To access the virtual meeting:

1. Open your internet browser and go to **investor.automic.com.au**
2. Login with your username and password or click "**register**" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**

Further information on how to do this is set out in the Notice of Meeting. The Explanatory Notes that accompany and form part of the Notice of Meeting describe the various matters to be considered.

STEP 1: Appoint Your Proxy

COMPLETE AND RETURN THIS FORM AS INSTRUCTED ONLY IF YOU DO NOT VOTE ONLINE

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Forbidden Foods Limited, to be held at **9.30am (Melbourne time) on Thursday, 4 November 2021** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
Unless indicated otherwise by ticking the "for"," against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

SAMPLE

STEP 2: Your Voting Direction

Resolutions		For	Against	Abstain
1.	Adoption of the Remuneration Report	☐	☐	☐
2.	Re-election of Ms Colleen Lockwood as Director	☐	☐	☐
3.	Ratification of issue of Consideration Shares	☐	☐	☐
4.	Ratification of issue of Tranche 1 Placement Shares – ASX Listing Rule 7.1	☐	☐	☐
5.	Ratification of issue of Tranche 1 Placement Shares – ASX Listing Rule 7.1A	☐	☐	☐
6.	Approval of issue of Tranche 2 Placement Shares	☐	☐	☐
7.	**Special Resolution** Approval of 10% Placement Facility	☐	☐	☐

Please note: *If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.*

STEP 3: Sign Here + Contact Details

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name:

Email Address:

Contact Daytime Telephone

Date (DD/MM/YY) ☐☐ / ☐☐ / ☐☐

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).

AUTOMIC

FFF