

27 October 2023

Dear Shareholder,

## Annual General Meeting – Letter to Shareholders

**Forbidden Foods Limited (ASX:FFF)** (“Forbidden Foods” or the “Company”) advises that its Annual General Meeting (“AGM”) of Shareholders will be held at **11:00am (AEDT)** on **Wednesday, 29 November 2023** at Level 16/452 Flinders St, Melbourne VIC 3000 and as a hybrid **meeting (Meeting)**.

Details on how to attend and participate in the hybrid meeting can be found below and in the Notice of Meeting.

In accordance with Part 1.2AA of the *Corporations Act 2001*, the Company will only be dispatching physical copies of the Notice of Meeting (**Notice**) to Shareholders who have elected to receive the Notice in physical form. The Notice is being made available to Shareholders electronically and can be viewed and downloaded online at the following link:

<https://www.forbiddenfoods.com.au/investors/asx-announcements>. Alternatively, the Notice will also be available on the Company’s ASX market announcements page (**ASX: FFF**).

This Notice is given based on circumstances as at the date of this letter. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company’s website at <https://www.forbiddenfoods.com.au/investors/asx-announcements>. Shareholders are urged to monitor the ASX announcements platform and the Company’s website.

The Meeting will be held at Level 16/452 Flinders St, Melbourne VIC 3000 and by way of webcast via Automic’s online platform available at [https://us02web.zoom.us/webinar/register/WN\\_MXMHQTIUTEugyyxxAZwIzA](https://us02web.zoom.us/webinar/register/WN_MXMHQTIUTEugyyxxAZwIzA)

## Virtual Meeting

The Company is pleased to provide shareholders with the opportunity to attend and participate in the hybrid Meeting through an online meeting platform powered by Automic. Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link [investor.automic.com.au](https://investor.automic.com.au) and then

clicking on “**register**” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (**SRN**) or Holder Identification Number (**HIN**)) to create an account with Automic.

## Your vote is important

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

To vote in person, attend the Meeting on the date and at the place set out above.

To vote by proxy please use one of the following methods:

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting.

Shareholders attending the meeting virtually and wishing to vote on the day of the meeting can find further instructions on how to do so in the Notice of Meeting. Alternatively, shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

**Online** <https://investor.automic.com.au/#!/loginsah>

**By post:** 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](mailto:meetings@automicgroup.com.au)

Your Proxy instruction must be received no later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

**The Chair intends to vote all open proxies in favour of all resolutions, where permitted.**

Yours faithfully,

**Lucy Rowe**  
Company Secretary

**Forbidden Foods Limited**

Level 1/678 Victoria Street,  
RICHMOND, VIC 3121ACN:  
ACN 616 507 334

[info@forbiddenfoods.com.au](mailto:info@forbiddenfoods.com.au)

<http://www.forbiddenfoods.com.au/>

# Forbidden Foods Limited

## **Notice of 2023 Annual General Meeting**

Explanatory Statement | Proxy Form

Wednesday, 29 November 2023

**11.00am (AEDT)**

**Address**

Level 16/452 Flinders St, Melbourne VIC 3000

**And as a hybrid meeting:**

[https://us02web.zoom.us/webinar/register/WN\\_MXMHQTIUTEuqyyxxAZwlzA](https://us02web.zoom.us/webinar/register/WN_MXMHQTIUTEuqyyxxAZwlzA)

This Notice of Meeting should be read in its entirety. If Shareholders are in any doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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## Important Information for Shareholders about the Company's 2023 AGM

This Notice is given based on circumstances as at 27 October 2023. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <http://www.forbiddenfoods.com.au/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

## Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11.00am (AEDT) on Wednesday, 29 November 2023 at Level 16/452 Flinders St, Melbourne VIC 3000 and as a **hybrid meeting (Meeting)**.

To be able to hold this Meeting at both a physical and virtual venue, the Company is relying upon s249R(b) of the Corporations Act.

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.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

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

To access the virtual meeting on the day:

1. Open your internet browser and go to [investor.automic.com.au](http://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**

3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on **"Register"** when this appears. Alternatively, click on **"Meetings"** on the left-hand menu bar to access registration.
4. Click on **"Register"** and follow the steps
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting. Note that the webcast will open in a separate window.

Shareholders will be able to vote (see the "Voting virtually at the Meeting" section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to the Company Secretary at [lucy.rowe@automicgroup.com.au](mailto:lucy.rowe@automicgroup.com.au) at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

## Your vote is important

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

## Voting in person at the Meeting

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

## Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM can do so through the online meeting platform powered by Automic.

Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" within the platform to be taken to the voting screen.

Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted

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

## Voting by proxy

To vote by proxy, please use one of the following methods:

|                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Online</b>  | Lodge the Proxy Form online at <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a> by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form.<br><br>For further information on the online proxy lodgement process please see the <b>Online Proxy Lodgement Guide</b> at <a href="https://www.automicgroup.com.au/virtual-agms/">https://www.automicgroup.com.au/virtual-agms/</a> |
| <b>By post</b> | Automic, GPO Box 5193, Sydney NSW 2001                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>By hand</b> | Automic, Level 5, 126 Phillip Street, Sydney NSW 2000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

**By email**

Completing the enclosed Proxy Form and emailing it to:  
meetings@automicgroup.com.au

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

## Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the attorney has already provided the power of attorney to the Share Registry.

## Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

# Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Forbidden Foods Limited ACN 616 507 334 will be held at 11.00am (AEDT) on Wednesday, 29 November 2023 at Level 16/452 Flinders St, Melbourne VIC 3000 and as a **hybrid meeting (Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7.00pm (AEDT) on Monday, 27 November 2023.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

## Agenda

### Ordinary business

#### Financial statements and reports

*"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."*

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

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of this item of business.

# Resolutions

## **Remuneration Report**

### **1. Resolution 1 – Adoption of Remuneration Report**

To consider and, if thought fit, to pass the following resolution as **Non-Binding Resolution**:

*“That, for the purpose of Section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company’s Annual Financial Report for the financial year ended 30 June 2023.”*

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

**Voting Exclusion Statement:** In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company’s key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person’s Closely Related Parties (such as close family members and any controlled companies of those persons) (collectively referred to as **Restricted Voter**). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

## **Re-election of Director**

### **2. Resolution 2 – Re-election of Mr Jarrod Milani as Director**

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

*“That, Mr Jarrod Milani, a Director of the Company who retires by rotation in accordance with the Company’s Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election as a Director of the Company, effective immediately.”*

## **ASX Listing Rule 7.1A (Additional 10% Capacity)**

### **3. Resolution 3 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

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

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and*

otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (i) 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;
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Ratification of Prior Issue of Fully Paid Ordinary Shares**

### **4. Resolution 4 – Ratification of Prior Issue of 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 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 23,250,000 fully paid ordinary shares issued on 16 August 2023 and 13,430,000 fully paid ordinary shares issued on 7 September 2023 as part of the Company’s institutional placement announced by the Company on 9 August 2023, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (i) 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;

- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **Issue of Securities under Equity Incentive Plan**

### **5. Resolution 5 – Approval of Issue of Long Term Incentive Performance Rights under Equity Incentive Plan to Alex Aleksic, CEO and Managing Director of the Company**

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

*“That, for the purposes of ASX Listing Rules 10.14 and 10.19, sections 200B and 200E of the Corporations Act 2001 (Cth) and for all other purposes, the Shareholders of the Company approve the issue and allotment of 8,125,000 Performance Rights as a long term incentive under the Forbidden Foods Equity Incentive Plan to Alex Aleksic, Chief Executive Officer and Managing Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Equity Incentive Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) 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;
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement:** In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

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

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

## **Issue of Securities**

### **6. Resolution 6 – Approval to Issue Placement Options**

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 for all other purposes, the Shareholders of the Company approve the issue and allotment of up to 36,680,000 unlisted options issued on the basis of one free-attaching Option for every Share subscribed for and issued under the institutional placement announced by the Company on 9 August 2023, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (i) 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;
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 7. **Resolution 7** – Approval to Issue Shares and Options to Alex Aleksic, Managing Director of the Company, under Tranche 2 of the Placement

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve and authorise the issue and allotment of 10,000,000 Shares and 10,000,000 attaching Options to Alex Aleksic (and/or his nominee) at an issue price of \$0.02 each as part of the institutional placement announced by the Company on 9 August 2023, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) Alex Aleksic;
- (b) 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
- (c) an Associate of those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 7 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way;
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 8. **Resolution 8** – Approval to Issue Shares and Options to Jarrod Milani, Director of the Company, under Tranche 2 of the Placement

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve and authorise the issue and allotment of 500,000 Shares and 500,000 attaching Options to Jarrod Milani (and/or his nominee) at an issue price of \$0.02 each as part of the institutional placement announced by the Company on 9 August 2023, on the terms and*

conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) Jarrod Milani;
- (b) 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
- (c) an Associate of those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 8 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way;
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 9. **Resolution 9** – Approval to Issue Shares and Options to Katie Eshuys, Director of the Company, under Tranche 2 of the Placement

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

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve and authorise the issue and allotment of 500,000 Shares and 500,000 attaching Options to Katie Eshuys (and/or her nominee) at an issue price of \$0.02 each as part of the institutional placement announced by the Company on 9 August 2023, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- (a) Katie Eshuys;
- (b) 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

- (c) an Associate of those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 9 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction given to the proxy or attorney to vote on the Resolution in that way;
- (ii) 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
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## 10. **Resolution 10** – Approval for Issue of Shares and Options to Other Participants under Tranche 2 of Placement

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 for all other purposes, the Shareholders of the Company approve and authorise the issue and allotment of 4,000,000 Shares and 4,000,000 attaching Options at an issue price of \$0.02 each as part of the institutional placement announced by the Company on 9 August 2023, on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 10 by:

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

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

## 11. **Resolution 11** – Approval for Appointment of Auditor

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

**Resolution:**

*“That, for the purposes of section 327B(1) of the Corporations Act 2001 (Cth), and for all other purposes, RSM Global Pty Ltd, having consented to act as auditor of the Company, be appointed as the Company’s auditor in accordance with the Corporations Act 2001 (Cth), subject to, and effective on and from the later of (i) the date of the meeting at which this resolution is approved; and (ii) the date on which the Australian Securities and Investments Commission provides its consent under section 329 of the Corporations Act 2001 (Cth) to the resignation of the Company’s current auditors, PKF Melbourne Audit & Assurance Pty Ltd.”*

### **BY ORDER OF THE BOARD**

Lucy Rowe  
Company Secretary

# Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 11.00am (AEDT) on Wednesday, 29 November 2023 at Level 16/452 Flinders St, Melbourne VIC 3000 and as a **hybrid meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

## Agenda

### **Ordinary business**

#### Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2023 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at [www.forbiddenfoodsgroup.com](http://www.forbiddenfoodsgroup.com).

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- conduct of the audit;
- preparation and content of the Auditor's Report;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- independence of the auditor in relation to the conduct of the audit.

#### **Written questions of the auditor**

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by Wednesday, 22 November 2023.

# Resolutions

## **Remuneration Report**

### **Resolution 1 – Adoption of Remuneration Report**

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at [www.forbiddenfoods.com.au](http://www.forbiddenfoods.com.au).

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

#### **Voting exclusion**

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read the Proxy Form carefully and to provide a direction to the proxy on how to vote on this Resolution.

#### **Directors' Recommendation**

Due to the nature of Resolution 1, the Directors do not make any recommendation on this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

## **Re-election of Director**

### **Resolution 2 – Re-election of Mr Jarrod Milani as Director**

The Company's Constitution requires that a Director of the Company (excluding the Chief Executive Officer) shall not hold office without re-election beyond the third Annual General Meeting (**AGM**) following the meeting at which the director was last elected or re-elected.

ASX Listing Rule 14.4 also provides that each 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.

Jarrod Milani was appointed a Director of the Company in 2017 and was last re-elected as a Director at the 2020 AGM.

Under this Resolution 2, in accordance with the Company's Constitution and the ASX Listing Rules, Mr Jarrod Milani is to retire by rotation, and being eligible, seeks re-election as a Director of the Company at this AGM.

Jarrod co-founded Forbidden Foods with Marcus Brown in 2010. He is the current non-executive Chair of the Company having initiated a refresh of the Board and executive management in the last 12 months and was recently appointed Country Manager – ANZ at Yowie Limited (ASX:YOWASX)

Prior to co-founding Forbidden Foods, Jarrod worked at Coles in various marketing-related roles including trade planning, growth projects, eCommerce, and supplier engagement.

Jarrod's extensive experience in fast moving consumer goods has given him the ability to manage ongoing relationships with suppliers, customers, and manufacturers globally to help the Company meet its strategic objectives. He has played a vital role in the development of the brand proposition, strategy, and product ranges. He is a graduate member of the Australian Institute of Company Directors.

#### **Directors' Recommendation**

The Directors (excluding Mr Jarrod Milani) recommend that Shareholders vote in favour of Resolution 2.

The Chair intends to vote all undirected proxies in favour of this Resolution.

## **ASX Listing Rule 7.1A (Additional 10% Capacity)**

### **Resolution 3 – ASX Listing Rule 7.1A Approval of Future Issue of Securities**

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, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

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 less than the amount prescribed by ASX (currently \$300 million).

As of the date of this Notice of Meeting, the Company has a market capitalisation of approximately \$2.99 million and therefore is an eligible entity for the purposes of Listing Rule 7.1A. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, and subject to the Company cleansing prior share issues pursuant to other Resolutions to be proposed at the Meeting, the Company will have the ability to issue equity securities in the next 12 months up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval, which could be beneficial to the Company as it seeks further capital to continue its growth.

If this Resolution 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 will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

#### **Information Required by ASX Listing Rule 7.3A**

The following information is provided to Shareholders for the purposes of Listing Rule 7.3A.

##### Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

##### Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades

in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

If Shareholders were to approve this Resolution, as at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period. However, if Shareholders were to approve this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds are likely to be used for the future growth of the Company, including:

- to accelerate sales with key retailers and drive brand awareness in the US and Australia for the Company's leading range of Blue Dinosaur healthy snack food products; and
- to assist with the strategic build-up of Blue Dinosaur inventory holdings to fulfil future purchase orders.

Notwithstanding the above, details of the actual use of any funds raised under Listing Rule 7.1A would be confirmed at the time that any issue of equity securities takes place.

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

| Variable "A" ASX Listing Rule 7.1A.2                                                    |                                          | Potential Dilution and Funds Raised       |                                       |                                            |
|-----------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------|---------------------------------------|--------------------------------------------|
|                                                                                         |                                          | \$0.008<br>50% decrease in<br>issue price | \$0.016<br>issue price <sup>(b)</sup> | \$0.032<br>100% increase in<br>issue price |
| <b>"A" is the number of shares on issue,<sup>(a)</sup> being<br/>186,860,547 Shares</b> | <b>10% voting dilution<sup>(c)</sup></b> | 18,686,054                                | 18,686,054                            | 18,686,054                                 |
|                                                                                         | <b>Funds raised</b>                      | \$149,488                                 | \$298,977                             | \$597,954                                  |
| <b>"A" is a 50% increase in shares on issue, being</b>                                  | <b>10% voting dilution<sup>(c)</sup></b> | 28,029,082                                | 28,029,082                            | 28,029,082                                 |

|                                                         |                                          |            |            |             |
|---------------------------------------------------------|------------------------------------------|------------|------------|-------------|
| <b>280,290,821 Shares</b>                               | <b>Funds raised</b>                      | \$224,233  | \$448,465  | \$896,931   |
| <b>"A" is a 100% increase in shares on issue, being</b> | <b>10% voting dilution<sup>(c)</sup></b> | 37,372,109 | 37,372,109 | 37,372,109  |
| <b>373,721,094 Shares</b>                               | <b>Funds raised</b>                      | \$298,977  | \$597,954  | \$1,195,907 |

**Notes:**

- (a) Based on the total number of fully paid ordinary Shares on issue as at 26 October 2023.
- (b) Based on the closing price of the Company's Shares on ASX as at 26 October 2023.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

**Allocation policy for issues under Listing Rule 7.1A**

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;
- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders has been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

**Issue or agreement to issue equity securities under Listing Rule 7.1A in the 12 months prior to AGM**

The Company has issued or agreed to issue equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM. Details of these issues or agreements to issue are set out in the table below:

| Number/Class of equity securities issued | Terms of the securities issued                                                                                                                                                                                                                                                                                                                                                                               | Price and discount to closing market price on the date of issue (if any) or agreement to issue                 | Consideration details                                                                                                                                                                                                | Allottees of the Securities                             |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <i>Issued on 15 December 2022</i>        |                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                |                                                                                                                                                                                                                      |                                                         |
| 10,240,310 fully paid ordinary shares    | <p>Issue of shares to institutional, sophisticated, and professional investors under a placement announced by the Company on 8 December 2022. The placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p> | <p>Issue price of \$0.0355 cents per share.</p> <p>Closing market price on the date of issue was \$0.0310.</p> | <p>Cash consideration of \$363,531 (before costs)</p> <p>Funds raised were used to further accelerate sales and growth opportunities for Blue Dinosaur® in the US market, and provide additional working capital</p> | Institutional, sophisticated and professional investors |
| <i>Issued on 13 June 2023</i>            |                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                |                                                                                                                                                                                                                      |                                                         |
| 13,298,054 fully paid ordinary shares    | <p>Issue of shares to institutional, sophisticated, and professional investors under a placement announced by the Company on 7 June 2023. The placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p>     | <p>Issue price of \$0.02 cents per share.</p> <p>Closing market price on the date of issue was \$0.0150.</p>   | <p>Cash consideration of \$265,961 (before costs)</p> <p>Funds raised were used towards ongoing promotion of Blue Dinosaur in Australia and the US.</p>                                                              | Institutional, sophisticated and professional investors |
| <i>Issued on 16 August 2023</i>          |                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                |                                                                                                                                                                                                                      |                                                         |

|                                       |                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                            |                                                         |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| 14,673,055 fully paid ordinary shares | <p>Issue of shares to institutional and sophisticated investors under a placement announced by the Company on 9 August 2023. The placement was completed by utilising existing capacity under ASX Listing Rule 7.1 and 7.1A</p> <p>The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.</p> | <p>Issue price of \$0.02 cents per share.</p> <p>Closing market price on the date of issue was \$0.0180.</p> | <p>Cash consideration of \$293,461.10 (before costs)</p> <p>Funds raised will be used to accelerate sales with key retailers and drive brand awareness in the US and Australia for the Company's leading range of Blue Dinosaur healthy snack food products. Forbidden Foods will also allocate capital to the strategic build-up of Blue Dinosaur inventory holdings to fulfil future purchase orders</p> | Institutional, sophisticated and professional investors |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|

|                                                                                                                                                           |            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")</b>                                | 38,211,419 |
| <b>Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period (fully diluted)</b> | 35.09%     |

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

### Directors' Recommendation

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

The Chair intends to vote all undirected proxies in favour of this Resolution.

# **Ratification of Prior Issue of Fully Paid Ordinary Shares**

## **Resolution 4 – Ratification of Prior Issue of Placement Shares**

### **Background**

On 9 August 2023, the Company announced that it had successfully raised \$1.03m (before costs) via a placement which would be completed in two tranches as follows:

1. First tranche: approximately \$733,000 raised from sophisticated and institutional investors, which was completed by utilising the Company's existing capacity under Listing Rule 7.1 and Listing Rule 7.1A (**Tranche 1**); and
2. Second tranche: \$300,000 raised from certain related parties of the Company and other sophisticated investors, the issues to related parties of the Company being the subject of the shareholder approval being sought under Resolutions 7, 8 and 9 of this Notice and the issues to the other sophisticated investors being the subject of the shareholder approval being sought under Resolution 10 of this Notice (**Tranche 2**),

(collectively referred to as the **Placement**).

Canterbury Hill Advisory Pty Ltd acted as Lead Manager to the Placement.

Under Tranche 1 of the Placement, 23,250,000 fully paid ordinary shares were issued on 16 August 2023, with the remaining 13,430,000 fully paid ordinary shares issued on 7 September 2023, in each case at an issue price of \$0.02 (2 cents) (**Tranche 1 Placement Shares**).

### **ASX Listing Rules 7.1 and 7.1A**

This Resolution proposes that Shareholders approve and ratify the prior issue and allotment of 23,250,000 Tranche 1 Placement Shares, which were issued on 16 August 2023, and 13,430,000 Tranche 1 Placement Shares which were issued on 7 September 2023.

22,006,945 Tranche 1 Placement Shares were issued under Listing Rule 7.1 and 14,673,055 Tranche 1 Placement Shares were issued under 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.

At last year's AGM, the Company sought and obtained approval of its Shareholders under Listing Rule 7.1A to increase this 15% limit by an extra 10% to 25%.

The issue of the Tranche 1 Placement Shares did not fit within any of the exceptions (to Listing Rules 7.1 and 7.1A) and, as the issue of the Tranche 1 Placement Shares had not been approved by the Company's Shareholders, it effectively uses up part of the expanded 25% limit in Listing Rule 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the Issue Date (noting that the extra 10% under Listing Rule 7.1A will expire unless re-approved by the Company's Shareholders on an annual basis).

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

A note to Listing Rule 7.4 also provides that an issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4 and, if it is, the issue will then be excluded from variable "E" in Listing Rule 7.1A.2 (which means that the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1A is not reduced).

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 4 seeks Shareholder approval to ratify the issue of Tranche 1 Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of the Tranche 1 Placement Shares under the Placement will be excluded in calculating the Company's 25% capacity to issue equity securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12-month period following the Issue Date (but noting that the Company's existing Listing Rule 7.1A capacity will expire at the AGM, unless renewed by Shareholders pursuant to Resolution 3).

If this Resolution is not passed, the issue of the Tranche 1 Placement Shares under the Placement will be included in calculating the Company's 25% capacity to issue equity securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12-month period following the Issue Date.

### **Information required by ASX Listing Rule 7.5**

The following information in relation to the Tranche 1 Placement Shares is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Tranche 1 Placement Shares were issued to sophisticated and institutional investors as selected by Canterbury Hill Advisory Pty Ltd. None of the investors under the Tranche 1 Placement were related parties, a member of the Key Management Personnel, a substantial shareholder or an adviser of the Company or an associate of those persons.
- (b) The Company issued a total of 36,680,000 Tranche 1 Placement Shares.
- (c) The Tranche 1 Placement Shares were fully paid on issue and ranked equally in all respects with all existing fully paid ordinary shares previously issued by the Company.
- (d) 23,250,000 Tranche 1 Placement Shares were issued on 16 August 2023, and 13,430,000 Tranche 1 Placement Shares were issued on 7 September 2023.
- (e) Each of the Tranche 1 Placement Shares were issued at an issue price of \$0.02 (2 cents) per Tranche 1 Placement Share, which raised approximately \$0.733m in aggregate.
- (f) Funds raised from the issue of the Tranche 1 Placement Shares have been, and will be, used by the Company to accelerate sales with key retailers and drive brand awareness in the US and Australia for the Company's leading range of Blue Dinosaur healthy snack food products. Forbidden Foods will also allocate capital to the strategic build-up of Blue Dinosaur inventory holdings to fulfil future purchase orders.
- (g) The Tranche 1 Placement Shares were not issued under an agreement.

### **Directors' Recommendation**

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

The Chair intends to vote all undirected proxies in favour of this Resolution.

## **Issue of Performance Rights under Equity Incentive Plan**

### **Resolution 5 – Approval of Issue of Long Term Incentive Performance Rights to Alex Aleksic, CEO and Managing Director of the Company**

#### **Background**

The Board intends to implement a long-term incentive under which the Chief Executive Officer (**CEO**)/Managing Director, Alex Aleksic, will be entitled to a long-term incentive (**LTI**). The LTI will be issued pursuant to the Company's existing Equity Incentive Plan and will be in the form of Performance Rights (**LTI Performance Rights**).

The LTI Performance Rights proposed to be offered as an LTI may be satisfied upon vesting through the issue of Shares, a payment of cash, or a combination of both (at the election of the Board). Since Mr Aleksic is the Managing Director, the grant of any LTI Performance Rights to Mr Aleksic (and the any subsequent issue of Shares on exercise of those LTI Performance Rights) requires Shareholder approval which is the subject of Resolution 5. The LTI Performance Rights have a 2 year vesting date commencing on 1 July 2023 and ending on 30 June 2025 (**LTI Incentive Period**), providing the Company with an incentive and retention mechanism for Mr Aleksic over the LTI Incentive Period.

The Board has set Mr Aleksic's total remuneration for FY24 at \$0.657m (refer below for a breakdown of remuneration). To maximise Shareholder alignment, the Board has determined that the majority of this amount should be "at-risk" and subject to performance that aligns with long term sustained gains in Shareholder wealth. Accordingly, Mr Aleksic's fixed remuneration for FY24 is \$277,500, his maximum short-term incentive (**STI**) opportunity will be to the value of \$250,000 and his maximum LTI opportunity will be to the value of \$130,000. The Board believes this mix of remuneration is appropriate for the Company's stage of development and its business strategy and is in the best interests of Shareholders. No further LTI grants will be made to Mr Aleksic during the period from now until 30 June 2025.

#### **Remuneration package**

Mr Aleksic's salary for FY24 (including superannuation) as CEO and Managing Director of the Company, and the value of Mr Aleksic's incentives that may be granted (with the LTI component being subject to Resolution 5 being passed) are as set out in the table below:

| <b>Director</b> | <b>Salary per annum for financial year ending 30 June 2024 (\$)</b> | <b>Maximum value of Short-Term Incentives</b> | <b>Maximum value of Long-Term Incentives</b> | <b>Total</b> |
|-----------------|---------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------|--------------|
| Alex Aleksic    | \$277,500 <sup>1</sup>                                              | \$250,000 <sup>2</sup>                        | \$130,000                                    | \$657,500    |

#### **Notes:**

1. Mr Aleksic's per annum fixed remuneration is \$277,500 (including superannuation).
2. Mr Aleksic's is entitled to participate in the FY24 STI scheme which is 80% of base salary less superannuation (\$250,000) at target, being \$200,000; or in the case of highly superior

performance as assessed by the Board in its sole and absolute discretion, 100% of base salary less superannuation. The board sets targets and milestones that must be achieved in order to receive a STI bonus. It will consist of a range of financial and non-financial targets aligned with the strategy and business performance as agreed by the Board. The STI score determinants/weighting are set out below.

3. The grant of the LTI incentives in the form of LTI Performance Rights is subject to Resolution 5 being passed and is subject to various conditions. The LTI Performance Rights may be settled (at the Board's election) through the issue of Shares upon conversion of the LTI Performance Rights, cash, or a combination of both. The value attributable to the LTI Performance Rights noted above assumes that 100% of the LTI Performance Rights vest and become exercisable into Shares (meaning Mr Aleksic would have to obtain an LTI Score of 100%). There is no guarantee that this will occur and Mr Aleksic's LTI Score will range between 0 and 100.
4. The LTI Performance Rights are measured over the LTI Incentive Period. As stated above, no further LTI Performance Rights will be issued to Mr Aleksic during the LTI Incentive Period.
5. Further details of Mr Aleksic's remuneration for FY24 will be set out in the Company's annual report. Further, details of Mr Aleksic's remuneration during the LTI Incentive Period will be measured (being the financial years ending 30 June 2024 and 30 June 2025) will be included in the Company's annual reports for those periods.

### STI and LTI Award Calculations

The table below sets out the conditions and the basis on which Mr Aleksic's "STI Score" and "LTI Score" will be determined.

#### (A) **STI Score Determinants/Weighting**

| Performance Criteria              | Category Weighting |
|-----------------------------------|--------------------|
| Profitability & Performance       | 30%                |
| Revenue Growth                    | 30%                |
| Safety, People & Culture          | 20%                |
| Strategic Plan                    | 10%                |
| Investor & External Relationships | 10%                |
| <b>Total</b>                      | <b>100%</b>        |

Following the conclusion of FY24, the Board will review the STI performance criteria and determine the total category rating. The STI scheme is worth 80% of base salary less superannuation (\$250,000) at target, being \$200,000; or in the case of highly superior performance as assessed by the Board in its sole and absolute discretion, 100% of base salary less superannuation.

#### (B) **LTI Score Determinants/Weighting**

| Performance Area                               | Category Weighting |
|------------------------------------------------|--------------------|
| Absolute Total Shareholder Return <sup>1</sup> | 100%               |
| <b>Total</b>                                   | <b>100%</b>        |

#### Notes:

1. Refer below for further details setting out the key performance indicators (KPIs) for assessing absolute total Shareholder return of the Company (**Absolute Total Shareholder Return**).

**(C) Absolute Total Shareholder Return**

The Absolute Total Shareholder Return performance area will be assessed from the starting point of \$0.016 (being the 3-month VWAP for the period ended on 30 June 2023) over the LTI Incentive Period and measured based on the compound annual growth rate (**CAGR**) of the Company's Share price. Set out below is an example of the % score that Mr Aleksic would obtain for the Absolute Total Shareholder Return performance area using the 3-month VWAP for the period ended on 30 June 2023, being \$0.016, as the base.

| CAGR | Indicative Share Price <sup>1</sup> | % Score for Key Performance Area <sup>2</sup> |
|------|-------------------------------------|-----------------------------------------------|
| 100% | \$0.064                             | 25%                                           |
| 150% | \$0.100                             | 50%                                           |
| 200% | \$0.144                             | 75%                                           |
| 250% | \$0.196                             | 100%                                          |

**Notes:**

1. The indicative Share price reflects the % CAGR increase in the Share price (from \$0.016) shown in the left hand column, which the Company would need to be trading at, at the conclusion of the LTI Incentive Period, in order for Mr Aleksic to score the LTI Score % for this performance area shown in the right-hand column.
2. If the indicative Share price in the middle column is met, Mr Aleksic would score the % set out in this column for the Absolute Total Shareholder Return performance area. For example, if there is a CAGR of 150%, (which, based on the indicative Share price, would mean that the Share price would have increased to \$0.100), then Mr Aleksic would score 50% for this performance area, and earn 50% of his LTI incentive.

Subject to, and conditional on the passing of Resolution 5, Mr Aleksic will be issued 8,125,000 LTI Performance Rights following this Meeting. The LTI Performance Rights will then be assessed (with reference to the Absolute Total Shareholder Return criteria and weighting set out above) at the end of the LTI Incentive Period.

The number of LTI Performance Rights to be issued to Mr Aleksic was assessed by the Board with reference to the Company's VWAP measured over the 3-months up to and including 30 June 2023, the historic volatility of the company's Shares, the performance period over which the LTI scheme will operate (the LTI Incentive Period) and an assessment of the likelihood of vesting of the LTI Performance Rights.

At the conclusion of the LTI Incentive Period, subject to and dependent on Mr Aleksic's LTI Score, all, or a portion of, those 8,125,000 Performance Rights may vest and become exercisable. By way of example, if Mr Aleksic was to obtain an LTI Score of 50%, 4,062,500 LTI Performance Rights (being 8,125,000 x 0.50) would vest and become exercisable by Mr Aleksic. If CAGR of the Company's share price is between any of the values identified in column 1 of the table above, the return Mr Aleksic will receive will be determined on a straight line basis. By way of example, if CAGR is 125%, the percent score for key performance area will be 37.5% and the

indicative share price would be \$0.082, meaning that Mr Aleksic will obtain 3,046,875 LTI Performance Rights (being 8,125,000 x 1.25) which would vest and become exercisable.

### **ASX Listing Rules requirements**

As noted above, the Company is proposing to issue LTI Performance Rights to Mr Aleksic under the Forbidden Foods Equity Incentive Plan.

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- (a) a director of the company;
- (b) an associate of a director of the company; or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the LTI Performance Rights fall within Listing Rule 10.14.1 above, as Mr Aleksic is the Managing Director of the Company and the issue of the LTI Performance Rights under the Equity Incentive Plan constitutes an issue of equity securities under an "employee incentive scheme", and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolution 5 therefore seeks the required Shareholder approval to the LTI Performance Rights for the purposes of Listing Rule 10.14.

If Resolution 5 is approved, the Company will be able to proceed with the issue of the LTI Performance Rights to Mr Aleksic and he will receive 8,125,000 LTI Performance Rights which, if they vest and are exercised at the end of the Incentive Period, will allow Mr Aleksic to receive an equivalent number of Shares, cash, or a combination of both (at the discretion of the Board).

If Resolution 5 is not approved, the Company will not be able to proceed with the issue of the LTI Performance Rights to Mr Aleksic and he will not receive the LTI Performance Rights, and the Board will need to settle the LTI Performance Rights wholly in cash or seek Shareholder approval in due course to issue Shares to Mr Aleksic on exercise of the Performance Rights. The Board would prefer to avoid settling an LTI incentive wholly from cash.

If approvals are given under ASX Listing Rule 10.14, approvals are not required under ASX Listing Rule 7.1, and any issue of securities that arise from the approval under ASX Listing Rule 10.14 will not count towards the Company's placement capacity under ASX Listing Rule 7.1.

### **Disclosures for the purposes of ASX Listing Rule 10.15**

The following disclosures are made for the purposes of ASX Listing Rule 10.15:

- (a) the name of the recipient is Mr Alex Aleksic, CEO and managing Director of the Company, or his nominees;
- (b) Mr Aleksic falls within ASX Listing Rule 10.14.1 since he is a Director of the Company;
- (c) the number and class of securities proposed to be issued under Resolution 5 is 8,125,000 LTI Performance Rights and up to 8,125,000 underlying Shares which

may be issued to Mr Aleksic upon exercise of the LTI Performance Rights, such number to be determined with reference to the LTI Score outlined above, and subject to the Board's discretion to settle the LTI incentive in Shares, cash, or a combination of both;

- (d) the current total remuneration package received by Mr Aleksic is \$657,500 (see details above), the LTI proportion of which is subject to Shareholders approving Resolution 5;
- (e) the total number of securities previously issued under the Equity Incentive Plan to Mr Aleksic is nil;
- (f) a summary of the material terms of the LTI Performance Rights is set out above and in Schedule 1;
- (g) the rationale for the issue of the LTI Performance Rights, and the reason for that type of security, is set out above;
- (h) the total value the entity attributes to these securities is \$130,000 based on the valuation methodology for the LTI Performance Rights as set out above;
- (i) the Company expects to issue the LTI Performance Rights under the Equity Incentive Plan within one month after the date of the Meeting, and in any event, no later than three years after the date of the Meeting;
- (j) the LTI Performance Rights will be granted to Mr Aleksic for nil consideration;
- (k) the material terms of the Equity Incentive Plan can be found in Schedule 2 to this Notice of Meeting;
- (l) no loan will be made by the Company in relation to the grant of LTI Performance Rights to Mr Aleksic;
- (m) details of any securities issued under the Equity Incentive Plan will be published in the annual report of the Company relating to the period in which the securities were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Equity Incentive Plan after this Resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under Listing Rule 10.14.

#### **Retirement/termination Benefits approval – Section 200B and section 200E Corporations Act**

Sections 200B and 200E of the Corporations Act prohibit a company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under Section 200E of the Corporations Act to allow for the Board to determine to accelerate the vesting of some or all of Mr Aleksic's unvested LTI Performance Rights in the event he ceases employment in 'good leaver' circumstances, being cessation due to death, total and permanent incapacity, bona fide retirement with the prior approval of the Board, or, otherwise, where the Board has determined that the ceasing employee be treated as a 'good leaver' and for the benefit not to be a termination benefit for the purposes of the Corporations Act. Where Mr Aleksic ceases as an 'other leaver' (which includes by resignation or dismissal for poor performance), all unvested LTI Performance Rights will lapse, unless the Board determines otherwise.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating Mr Aleksic's termination benefits cap for the purpose of sub-section 200F(2)(b) or sub-

section 200G(1)(c) of the Corporations Act. The approval will be effective from the date the Resolution is passed until the conclusion of the 2026 Annual General Meeting (that is, for a period of approximately three years).

The value of any benefit relating to the acceleration of unvested LTI Performance Rights held by Mr Aleksic in connection with him ceasing to hold managerial or executive office cannot presently be ascertained. However, the value of the LTI Performance Rights to be granted to Mr Aleksic (if Resolutions 5 is approved by Shareholders) as at the date of grant is fixed, being a value of \$130,000. Furthermore, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of unvested LTI Performance Rights held by Mr Aleksic prior to cessation of his employment (as set out above);
- the date when, and circumstances in which, Mr Aleksic ceases employment;
- whether service or performance hurdles are waived or (if not waived) met, and the number of unvested LTI Performance Rights that vest (which could be all of the LTI Performance Rights held by Mr Aleksic which are granted pursuant to Resolution 5); and
- the market price of the Company's Shares on the ASX on the date Shares are provided to Mr Aleksic upon vesting and exercise of the LTI Performance Rights.

#### **ASX Listing Rule 10.19**

ASX Listing Rule 10.19 provides that without the approval of its shareholders, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the ASX Listing Rules.

The Company is also seeking Shareholder approval, for the purposes of ASX Listing Rule 10.19, for the potential termination benefit that the Company may provide to Mr Aleksic in connection with the acceleration of unvested LTI Performance Rights held by Mr Aleksic in connection with his ceasing to hold a managerial or executive office with the Company.

As noted above, the Board seeks to retain flexibility to exercise its discretion to determine that the LTI Performance Rights to be issued to Mr Aleksic (or his nominees) for past performance will not be forfeited by virtue of his resignation. As also outlined above, the value of the termination benefit payable to Mr Aleksic (or his nominees) in such circumstances cannot be presently ascertained and will depend on the factors set out above. However, it is possible that the provision of the benefit associated with the accelerated vesting and exercise of the LTI Performance Rights upon Mr Aleksic's termination of employment in the future may exceed 5% of the equity interests of the Company at the relevant time, although this is considered unlikely.

#### **Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act requires that 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.

A “financial benefit” is defined in section 229 of the Corporations Act and includes issuing securities or granting an option to a related party.

Section 228 of the Corporations Act defines a “related party” for the purposes of Chapter 2E to include:

- (a) directors of the public company (section 228(2)(a)); and
- (b) an entity controlled by directors of the public company (section 228(4)). Section 228(5) provides that an entity is a related party of a public company at a particular time if the entity was a related party of the public company of a kind referred to in subsection (1), (2), (3) or (4) at any time within the previous 6 months.

The Board (other than Mr Aleksic) has in consultation with external advisers and following benchmarking against comparable companies formed the view that the grant of the STI payment and the LTI Performance Rights to Mr Aleksic (or his nominees) does not require Shareholder approval under section 208 of the Corporations Act as the grant constitutes “reasonable remuneration” in accordance with section 211 of the Corporations Act.

In reaching this view, the Board (other than Mr Aleksic) considers the proposed grant of LTI Performance Rights and the STI payment aligns the interests of Mr Aleksic with the interests of Shareholders. In particular, the grant of LTI Performance Rights to Mr Aleksic (or his nominees) is a cost-effective form of LTI remuneration when compared to the payment of cash consideration. The Board believes that having regard to the Company's current cash position, and the Company's objective to use available cash to fund its operations in the near future, compensating and incentivising Mr Aleksic in LTI Performance Rights is in line with current market practice.

### **Voting exclusions**

A voting exclusion statement is set out in the Notice of Meeting.

### **Directors' Recommendation**

For the reasons above, the Directors (with Mr Aleksic abstaining) recommend that Shareholders vote in favour of this Resolution 5.

The Chair intends to vote all undirected proxies in favour of this Resolution.

## **Issue of Securities**

### **Resolution 6 – Approval to Issue Placement Options**

#### **Background**

Resolution 6 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes) for the issue of 36,680,000 Options to sophisticated and institutional investors under Tranche 1 of the Placement as detailed in the Explanatory Statement to Resolution 4 in this Notice (**Placement Options**). The Placement Options are free attaching Options on the basis of one Placement Option for every one Tranche 1 Placement Share issued under the Placement. A further 15,000,000 Placement Options will be issued to the Directors and other sophisticated investors who participated in Tranche 2 of the Placement but the issue of those Tranche 2 Placement Options are the subject of separate approvals under Resolutions 7, 8, 9 and 10.

Refer to Resolution 4 for further details on the Placement.

#### **ASX Listing Rule 7.1**

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.

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to approve the issue of the Placement Options under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the issue of the Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12-month period following the date on which the Placement Options are issued.

If this Resolution is not passed, and the Company proceeds with the issue, Placement Options will be included in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12-month period following the date on which the Placement Options are issued.

#### **Information Required by Listing Rule 7.3**

The following information in relation to the issue of the Placement Options is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Placement Options will be issued to the sophisticated and institutional investors who subscribed for Shares under Tranche 1 of the Placement (on the basis of one Placement Option for every one Tranche 1 Placement Share issued under the Placement). None of the participants proposed to be issued Placement Options pursuant to this Resolution 6 will be a related party, a member of the Key Management Personnel, a substantial shareholder or an adviser of the Company or an associate of those persons.
- (b) The maximum number of Placement Options the Company may issue under Resolution 6 is 36,680,000 Placement Options.
- (c) The full terms of the Placement Options are set out in Schedule 3 to this Notice of Meeting.

- (d) The Placement Options will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (e) The Placement Options will be issued for nil cash consideration, as they are free attaching Options on the basis of one free attaching Placement Option for every one Tranche 1 Placement Share issued. Accordingly, no funds will be raised from the issue of the Placement Options. However, funds will be raised by the Company if the Placement Options are exercised by the holder in due course, although no future exercise is guaranteed.
- (f) The Placement Options will not be issued under an agreement.
- (g) The purpose of the Placement was to raise \$1.03 million (before costs), which will be used by the Company to capitalise on its current market opportunity for the Blue Dinosaur product range. For clarity, the purpose of the issue of the Placement Options was to incentivise potential participants in the Placement to advance funds to the Company.

### **Directors' Recommendation**

The Directors recommend Shareholders vote in favour of this Resolution 6.

The Chair intends to vote all undirected proxies in favour of this Resolution.

## Resolutions 7, 8 and 9 – Approval to Issue Shares and Options to Directors of the Company under Tranche 2 of the Placement

### Background

To show their belief and commitment to the Company, as part of the institutional placement announced on 9 August 2023, three of the Company's existing directors agreed to subscribe for further Shares in the Company, following the remaining director, Marcus Brown's, prior commitment to take up Shares in the Company's earlier placement in July 2023. Pursuant to the Listing Rules, the issue of Shares and Options under the Placement to those Directors requires Shareholder approval, and so the Directors' commitments were made subject to obtaining that Shareholder approval at the AGM and placed in a separate tranche of the Placement, being Tranche 2.

Resolutions 7, 8 and 9 seek Shareholder approval, pursuant to and in accordance with Listing Rule 10.11 (and for all other purposes), to issue and allot the following Tranche 2 Placement Shares and Tranche 2 Placement Options to Directors of the Company under Tranche 2:

- 10,000,000 Tranche 2 Placement Shares and 10,000,000 Tranche 2 Placement Options to Mr Alex Aleksic (and/or his nominee(s)) (**Resolution 7**);
- 500,000 Tranche 2 Placement Shares and 500,000 Tranche 2 Placement Options to Mr Jarrod Milani (and/or his nominee(s)) (**Resolution 8**); and
- 500,000 Tranche 2 Placement Shares and 500,000 Tranche 2 Placement Options to Ms Katie Eshuys (and/or her nominee(s)) (**Resolution 9**),

(together the "**Director Tranche 2 Placement Shares and Options**")

Refer to Resolution 4 for further details of the Placement.

### Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue equity securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Mr Aleksic, Mr Milani and Ms Eshuys are all Directors of the Company, and accordingly they are persons in a position of influence for the purposes of Listing Rule 10.11. The proposed issue of the Director Tranche 2 Placement Shares and Options does not fall within any of the exceptions in Listing Rule 10.12, and therefore the issue requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, Resolutions 7, 8 and 9 seek the required Shareholder approval to issue the Director Tranche 2 Placement Shares and Options to Mr Aleksic, Mr Milani and Ms Eshuys respectively under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If Resolutions 7, 8 and 9 are passed, the Company will be able to proceed with the proposed issues of the Director Tranche 2 Placement Shares and Options to Mr Aleksic, Mr Milani or Ms Eshuys (and/or their nominee(s)) respectively, and pursuant to Listing Rule 7.2 (exception 14), the Company may issue the Director Tranche 2 Placement Shares and Options without using the Company's 15% Placement Capacity under Listing Rule 7.1.

If any of Resolutions 7, 8 and 9 are not passed, despite each Director's commitment to the Placement, that Director of the Company will not be able to participate in Tranche 2 and that Director will not be able to receive their respective Director Tranche 2 Placement Shares and Options meaning that the Company will lose out on up to \$220,000 of important funding that has been committed by those Directors in support of the Company. The passing of each of Resolutions 7, 8 and 9 is independent of each other Resolution being proposed at the Meeting.

### **Chapter 2E of the Corporations Act**

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

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

The proposed issue of Director Tranche 2 Placement Shares and Options (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

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

Marcus Brown, being the sole non-conflicted Director carefully considered the issue of the Director Tranche 2 Placement Shares and Options to the relevant Directors and formed the view that the giving of this financial benefit is on arm's length terms, as the securities proposed to be issued are on the same terms as those offered to non-related parties under the Placement announced on 9 August 2023, including the same issue price of \$0.02 (2 cents) per Share.

Accordingly, Marcus Brown, being the sole non-conflicted Director believes that the issue of the Director Tranche 2 Placement Shares and Options to the relevant Directors falls within the "arm's length terms" exception as set out in section 210 of the Corporations Act, and the Board may rely on this exception for the purposes of each of Resolutions 7, 8 and 9. Therefore, the proposed issue of Director Tranche 2 Placement Shares and Options to the relevant Directors requires Shareholder approval under, and for the purposes of, ASX Listing Rule 10.11 only.

### **Information required by ASX Listing Rule 10.13**

The following information in relation to the issue of the Director Tranche 2 Placement Shares and Options is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The allottees are:
  - Mr Alex Aleksic (and/or his nominee(s)) (**Resolution 7**);
  - Mr Jarrod Milani (and/or his nominee(s)) (**Resolution 8**); and
  - Ms Katie Eshuys (and/or her nominee(s)) (**Resolution 9**).
- (b) Mr Aleksic, Mr Milani and Ms Eshuys fall within Listing Rule 10.11.1 as they are Directors of the Company and therefore are related parties of the Company.

- (c) The maximum number of Director Tranche 2 Placement Shares and Options to be issued is as follows:
- 10,000,000 Tranche 2 Placement Shares and 10,000,000 Tranche 2 Placement Options to be issued to Mr Alex Aleksic (and/or his nominee(s)) (**Resolution 7**);
  - 500,000 Tranche 2 Placement Shares and 500,000 Tranche 2 Placement Options to be issued to Mr Jarrod Milani (and/or his nominee(s)) (**Resolution 8**); and
  - 500,000 Tranche 2 Placement Shares and 500,000 Tranche 2 Placement Options to be issued to Ms Katie Eshuys (and/or her nominee(s)) (**Resolution 9**).
- (d) The Tranche 2 Placement Shares will be fully paid on issue and rank equally in all respects with all existing fully paid ordinary shares previously issued by the Company.
- (e) The full terms of the Tranche 2 Placement Options are set out in Schedule 3 to this Notice of Meeting.
- (f) The Director Tranche 2 Placement Shares and Options will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (g) The Tranche 2 Placement Shares will be offered at an issue price of \$0.02 (2 cents) per Share.
- (h) The Tranche 2 Placement Options will be offered for nil cash consideration, as they are free attaching options under Tranche 2 of the Placement.
- (i) Funds raised from the issue of the Tranche 2 Placement Shares to the relevant Directors will be used by the Company to accelerate sales with key retailers and drive brand awareness in the US and Australia for the Company's leading range of Blue Dinosaur healthy snack food products. Forbidden Foods will also allocate capital to the strategic build-up of Blue Dinosaur inventory holdings to fulfil future purchase orders.
- (h) No funds will be raised by the issue of the Tranche 2 Placement Options, as they are free attaching Options to be issued under Tranche 2 of the Placement. However, funds will be raised by the Company if the Tranche 2 Placement Options are exercised by the holder in due course, although no future exercise is guaranteed. For clarity, the purpose of the issue of the Tranche 2 Placement Options was to incentivise potential participants in the Placement to advance funds to the Company.
- (i) The Director Tranche 2 Placement Shares and Options will not be issued under an agreement.

### **Directors' Recommendation**

The Directors (with Mr Aleksic, Mr Milani and Ms Eshuys abstaining with respect to the Resolution in which they have an interest) recommend that Shareholders vote in favour of each of Resolutions 7, 8 and 9.

The Chair intends to vote all undirected proxies in favour of Resolutions 7, 8 and 9.

## **Resolution 10 – Approval for Issue of Shares and Options to Other Participants under Tranche 2 of Placement**

### **Background**

Resolution 10 seeks Shareholder approval pursuant to and in accordance with Listing Rule 7.1 (and for all other purposes) for the issue of 4,000,000 Tranche 2 Placement Shares and 4,000,000 Tranche 2 Placement Options to certain sophisticated investors who, in addition to the three Directors' subscriptions which are the subject of Resolutions 7, 8 and 9, subscribed for Tranche 2 Placement Shares and attaching Tranche 2 Placement Options (together **Additional Tranche 2 Placement Shares and Options**) under Tranche 2 of the Placement as detailed in the Explanatory

Statement to Resolution 4 in this Notice. The Additional Tranche 2 Placement Shares and Options will be issued on the same terms as the Tranche 1 Placement Shares, the Placement Options and the Director Tranche 2 Placement Shares and Options.

Refer to Resolution 4 for further details on the Placement.

### **ASX Listing Rule 7.1**

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.

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolution 10 seeks Shareholder approval to approve the issue of the Additional Tranche 2 Placement Shares and Options under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the issue of the Additional Tranche 2 Placement Shares and Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12-month period following the date on which the Additional Tranche 2 Placement Shares and Options are issued.

If this Resolution is not passed, and the Company proceeds with the issue, the Additional Tranche 2 Placement Shares and Options will be included in calculating the Company's 15% limit in Listing Rule 7.1 to issue equity securities without Shareholder approval over the 12-month period following the date on which the Additional Tranche 2 Placement Shares and Options are issued.

### **Information Required by Listing Rule 7.3**

The following information in relation to the issue of the Additional Tranche 2 Placement Shares and Options is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The Additional Tranche 2 Placement Shares and Options will be issued to the sophisticated investors who subscribed for Tranche 2 Placement Shares and Tranche 2 Placement Options under Tranche 2 of the Placement (on the basis of one Tranche 2 Placement Option for every one Tranche 2 Placement Share issued under the Placement).
- (b) The maximum number of Additional Tranche 2 Placement Shares and Options the Company may issue under Resolution 10 is 4,000,000 Tranche 2 Placement Shares and 4,000,000 Tranche 2 Placement Options.
- (c) The Tranche 2 Placement Shares will be issued as fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The full terms of the Tranche 2 Placement Options are set out in Schedule 3 to this Notice of Meeting.
- (e) The Additional Tranche 2 Placement Shares and Options will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (f) The Tranche 2 Placement Shares will be issued at \$0.02 per Share.
- (g) The Tranche 2 Placement Options will be issued for nil cash consideration, as they are free attaching Options on the basis of one free attaching Tranche 2 Placement Option for every

one Tranche 2 Placement Share issued under Tranche 2 of the Placement. Accordingly, no funds will be raised from the issue of the Tranche 2 Placement Options. However, funds will be raised by the Company if the Tranche 2 Placement Options are exercised by the holder in due course, although no future exercise is guaranteed.

- (h) The Additional Tranche 2 Placement Shares and Options will not be issued under an agreement.
- (i) The purpose of the Placement was to raise \$1.03 million (before costs), which will be used by the Company to capitalise on its current market opportunity for the Blue Dinosaur product range. For clarity, the purpose of the issue of the Tranche 2 Placement Options was to incentivise potential participants in Tranche 2 to advance funds to the Company.

#### **Directors' Recommendation**

The Directors recommend Shareholders vote in favour of this Resolution 10.

The Chair intends to vote all undirected proxies in favour of this Resolution.

### **Resolution 11 – Approval for Appointment of Auditor**

In accordance with section 327B(1) of the Corporations Act, the board appointed RSM Global Pty Ltd as auditor of the Company, subject to ASIC's consent to the resignation of the Company's existing auditor, PKF Melbourne Audit & Assurance Pty Ltd, under section 329(5) of the Corporations Act.

Pursuant to section 328A of the Corporations Act, the Company received a written consent to act as auditor from RSM Global Pty Ltd effective on and from the later of (i) the date of the Annual General Meeting, and (ii) the date on which ASIC consents to the resignation of the Company's current auditors, PKF Melbourne Audit & Assurance Pty Ltd.

Accordingly, pursuant to Resolution 11, Shareholder approval is being sought for the purposes of section 327B(1) of the Corporations Act to appoint RSM Global Pty Ltd as the new auditor of the Company.

A member's nomination of the auditor is set out in Annexure A.

#### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote in favour of this Resolution 11.

The Chair intends to vote all undirected proxies in favour of this Resolution.

## **Enquiries**

Shareholders are asked to contact the Company Secretary at [Lucy.Rowe@automicgroup.com.au](mailto:Lucy.Rowe@automicgroup.com.au) if they have any queries in respect of the matters set out in these documents.

# Glossary

**Absolute Total Shareholder Return** has the meaning given to it in the Explanatory Statement to Resolution 5.

**Additional Tranche 2 Placement Shares and Options** means the Tranche 2 Placement Shares and the Tranche 2 Placement Options proposed to be issued to certain sophisticated investors who participated in Tranche 2 of the Placement, being the subject of the approval under Resolution 10.

**AEDT** means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

**Annual Financial Report** means the 2023 Annual Report to Shareholders for the period ended 30 June 2023 as lodged by the Company with ASX on 28 September 2023.

**Annual General Meeting** or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

**ASIC** means Australian Securities and Investment Commission.

**Associate** has the meaning given to it by the ASX Listing Rules.

**ASX** means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**ASX Listing Rules** or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Auditor's Report** means the independent auditor's report of PKF Melbourne Audit & Assurance Pty Ltd dated 28 September 2023 as included in the Annual Financial Report.

**Board** means the current board of Directors of the Company.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Chair** means the person chairing the Meeting.

**Closely Related Party** of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

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

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth), as amended from time to time.

**Director** means a current director of the Company.

**Director Tranche 2 Placement Shares and Options** means the Tranche 2 Placement Shares and the Tranche 2 Placement Options proposed to be issued to certain Directors who participated in Tranche 2 of the Placement, being the subject of the approval under Resolutions 7, 8 and/or 9.

**Directors' Report** means the report of Directors as included in the Annual Financial Report.

**Dollar** or "\$" means Australian dollars.

**Equity Incentive Plan** means the employee equity incentive scheme entitled "Forbidden Foods Equity Incentive Plan" adopted by the Company, the material terms of which are summarised in Schedule 2.

**Explanatory Statement** means the explanatory statement accompanying this Notice of Meeting.

**KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

**LTI Incentive Period** has the meaning given to it in the Explanatory Statement to Resolution 5.

**LTI Performance Right** means a Performance Right proposed to be granted pursuant to Resolution 5 in relation to executive long term incentives.

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

**Option** means an option which, subject to its terms, could be exercised into a Share.

**Ordinary Resolution** means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Performance Right** means a performance right which, subject to its terms, could convert to a Share.

**Placement** means the institutional placement announced by the Company on 9 August 2023.

**Placement Options** means free attaching Options to be issued to subscribers for Shares under the Placement, and, where applicable, includes Tranche 2 Placement Options.

**Proxy Form** means the proxy form attached to this Notice of Meeting.

**Remuneration Report** means the remuneration report as set out in the Annual Financial Report.

**Resolutions** means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

**Restricted Voter** means a member of the Company's KMP and any Closely Related Parties of those members.

**Securities** mean Shares and/or Options (as the context requires).

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

**Shareholder** means a holder of a Share.

**Share Registry** means Automic Pty Ltd.

**Special Resolution** means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

**Trading Day** has the meaning given to that term in ASX Listing Rule 19.12.

**Tranche 1 or Tranche 1 of the Placement** means tranche 1 of the Placement that resulted in the issue of the Tranche 1 Placement Shares that are the subject of ratification under Resolution 4.

**Tranche 1 Placement Share** means the Shares issued to participants in Tranche 1.

**Tranche 2 or Tranche 2 of the Placement** means tranche 2 of the Placement that remains subject to the receipt of Shareholder approval pursuant to certain Resolutions in this Notice.

**Tranche 2 Placement Options** means the Placement Options to be issued to participants in Tranche 2.

**Tranche 2 Placement Shares** means the Shares to be issued to participants in Tranche 2.

**VWAP** means the volume weighted average market (closing) price, with respects to the price of Shares on ASX.

## Schedule 1 – Key terms of the LTI Performance Rights to be issued to Mr Alex Aleksic

### Key terms of LTI Performance Rights

1. Each LTI Performance Right will be issued for nil consideration.
2. Once vested, each LTI Performance Right entitles the holder to subscribe for, and be allotted, one fully paid ordinary share in the Company.
3. Each Performance Right is exercisable following its vesting, by following the process set out in the Equity Incentive Plan. A Performance Right not exercised before the expiry date set by the Board, or determined under the Equity Incentive Plan, will lapse.
4. Subject to the Company being able to comply with all applicable laws, Shares to be issued on exercise of an LTI Performance Right will be allotted and issued in accordance with the terms of the Equity Incentive Plan.
5. The LTI Performance Rights are personal to the recipient and not assignable or transferable and will not be quoted on the ASX.
6. Any Shares issued upon exercise of the LTI Performance Rights will rank *pari passu* in all respects with the Company's then issued fully paid ordinary shares. Where the Company is listed on ASX at the time of exercise, the Company will apply for official quotation by ASX of all Shares issued upon exercise of the LTI Performance Rights.
7. There are no participating rights or entitlements inherent in the LTI Performance Rights and the holder will not be entitled to participate in new issues of capital offered to shareholders during the currency of the LTI Performance Rights unless the Performance Rights are first exercised in accordance with the Equity Incentive Plan. If required by the ASX Listing Rules, the holder will be notified of the proposed issue in accordance with the ASX Listing Rules.
8. In the event of any reorganisation (including consolidation, sub-division, reduction or return) of the issued capital of the Company prior to the exercise of LTI Performance Rights, the rights of the holder will be varied in accordance with the terms of the Equity Incentive Plan, and in any case, to the extent necessary to comply with, and as required by, the ASX Listing Rules at the time of the reorganisation.
9. If there is a bonus issue to Shareholders prior to the exercise of the LTI Performance Rights, the rights of the holder will be varied in accordance with the terms of the Equity Incentive Plan, and in any case, to the extent necessary to comply with, and as required by, the ASX Listing Rules at the time of the bonus issue.

## Schedule 2 – Summary of material terms of the Forbidden Foods Equity Incentive Plan

The key terms of the Forbidden Foods Equity Incentive Plan are as follows:

| Term                  | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Eligibility           | Offers may be made at the Board's discretion to employees of the Company (including the Executive Directors) and any other person that the Board determines to be eligible to receive a grant under the Plan.                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Types of securities   | <p>The Plan Rules provide flexibility for the Company to grant one or more of the following securities as incentives, subject to the terms of individual offers:</p> <ul style="list-style-type: none"> <li>• performance rights, which are an entitlement to receive Shares upon satisfaction of applicable conditions;</li> <li>• options, which are an entitlement to receive Shares upon satisfaction of applicable conditions and payment of the applicable exercise price; and</li> <li>• restricted shares, which are Shares that are subject to dealing restrictions, vesting conditions or other restrictions or conditions.</li> </ul> |
| Offers under the Plan | <p>The Board may make offers at its discretion and any offer documents must contain the information required by the Plan Rules. The Board has the discretion to set the terms and conditions on which it will offer performance rights, options and restricted shares in individual offer documents.</p> <p>Offers must be accepted by the employee and can be made on an opt-in or opt-out basis.</p>                                                                                                                                                                                                                                           |
| Plan limit            | Where an offer is made in reliance on ASIC Class Order 14/1000, the total number of Shares issued (or in the case of performance rights and options, the total number of Shares which would be issued if those performance rights or options were exercised) must not exceed 5% of the total number of Shares on issue.                                                                                                                                                                                                                                                                                                                          |
| Issue price           | Unless the Board determines otherwise, no payment is required for a grant of a performance right, option or restricted share under the Plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| <b>Term</b>                                    | <b>Description</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vesting                                        | <p>Vesting of performance rights, options and restricted shares under the Plan is subject to any vesting or performance conditions determined by the Board and specified in the offer document.</p> <p>Options must be exercised by the employee and the employee is required to pay the exercise price before Shares are allocated.</p> <p>Subject to the Plan Rules and the terms of the specific offer document, any performance rights, options or restricted shares will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied.</p> |
| Cessation of employment                        | Under the Plan Rules, the Board has a broad discretion in relation to the treatment of entitlements on cessation of employment. It is intended that individual offer documents will provide more specific information on how the entitlements will be treated if the participating employee ceases employment.                                                                                                                                                                                                                                                                       |
| Clawback and preventing inappropriate benefits | The Plan Rules provide the Board with broad “clawback” powers if, for example, the participant has acted fraudulently or dishonestly or there is a material financial misstatement.                                                                                                                                                                                                                                                                                                                                                                                                  |
| Change of control                              | The Board may determine that all or a specified number of a participant’s performance rights, options or restricted shares will vest or cease to be subject to restrictions on a change of control event in accordance with the Plan Rules.                                                                                                                                                                                                                                                                                                                                          |
| Reconstructions and corporate actions          | The Plan Rules include specific provisions dealing with rights issues, bonus issues and corporate actions and other capital reconstructions. These provisions are intended to ensure that there is no material advantage or disadvantage to the participant in respect of their incentives as a result of such corporate actions.                                                                                                                                                                                                                                                    |
| Restrictions on dealing                        | <p>Prior to vesting, the Plan Rules provide that participants must not sell, transfer, encumber, hedge or otherwise deal with their incentives.</p> <p>After vesting, participants will be free to deal with their incentives, subject to the Company’s Securities Dealing Policy.</p>                                                                                                                                                                                                                                                                                               |
| Other terms                                    | The Plan contains customary and usual terms of dealing with administration, variation, suspension and termination of the Plan.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

## Schedule 3 – Terms of the Placement Options

The Placement Options each have the same terms and conditions as set out in this Schedule.

### 1.1 Entitlement

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

### 1.2 Exercise Price

Subject to paragraph 1.9, the amount payable upon exercise of each Placement Option will be \$0.025 (2.5 cents) (**Exercise Price**).

### 1.3 Expiry Date

Each Placement Option will expire at 5.00 pm (AEDT) on the date that is 24 months after the date of issue of the Placement Option (**Expiry Date**). A Placement Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

### 1.4 Exercise Period

Each Placement Option is exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

### 1.5 Notice of Exercise

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

### 1.6 Exercise Date

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

### 1.7 Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will, subject to compliance with all applicable laws and the ASX Listing Rules:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Placement Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Placement Options.

If a notice delivered under paragraph 1.7(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations

Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**1.8 Shares issued on exercise**

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

**1.9 Reconstruction of capital**

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

**1.10 Participation in new issues**

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

**1.11 Change in exercise price**

Subject to compliance with the ASX Listing Rules, a Placement Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Placement Option can be exercised.

**1.12 Transferability**

The Placement Options will not be transferable. Application will not be made for the Placement Options to be quoted on ASX.

## Annexure A

26 October 2023

Lucy Rowe  
Company  
Secretary

Forbidden Foods Limited  
ACN 616 507 334

16/663 Victoria Street  
Abbotsford VIC 3067

### Re: Nomination of Auditor

For the purposes of section 328B(1) of the *Corporations Act 2001*, I, Andrew Smith as director of Legal Toolbox Pty Ltd ATF Smidge Digital Unit Trust, being a member of Forbidden Foods Limited ACN 616 507 334 (Company) hereby nominate RSM Australia Partners of Level 21, 55 Collins Street Melbourne VIC 3000 as auditor of the Company at the Annual General Meeting to be held on 29 November 2023.

Yours sincerely



Andrew John  
Smith Director

Legal Toolbox Pty Ltd ATF Smidge Digital Unit Trust

Your proxy voting instruction must be received by **11.00am (AEDT) on Monday, 27 November 2023**, 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>.

### 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:

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Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

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+61 2 8583 3040

#### All enquiries to Automic:

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