Energy Technologies Limited (ASX:EGY)

ACN 002 679 469

Notice of Extraordinary General Meeting and Explanatory Notes

Date of meeting: Monday, 3 August 2026

Time of meeting: 10.00am (AEST)

Place of meeting: Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100 and online

Shareholders will be given the opportunity to attend the Meeting either in person or virtually via Zoom. If you are a Shareholder who wishes to attend and participate in the Meeting via Zoom please register in advance as per the instructions outlined in this Notice of Meeting.

Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

TO BE VALID, FORMS OF PROXY FOR USE AT THE EXTRAORDINARY GENERAL MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN 10.00AM (SYDNEY TIME) ON SATURDAY, 1 AUGUST 2026

Energy Technologies Limited

ACN 002 679 469

Notice of Extraordinary General Meeting

Notice is hereby given that an **Extraordinary General Meeting** of the members of **Energy Technologies Limited** (the **Company**) is to be held at Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100 on Monday, 3 August 2026 at 10.00am (Sydney time).

The Company is also providing shareholders with an opportunity to participate in the Meeting virtually via Zoom at the link set out below:

https://us06web.zoom.us/j/81596054894?pwd=Nu9WLR68BBF3Bq0uL2iyFNUTdb1bYq.1

Meeting ID: 815 9605 4894
Passcode: 794650

When: **10.00am (Sydney time) on Monday, 3 August 2026**

All resolutions will be conducted by way of a poll.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the Meeting virtually will be able to ask questions and cast their votes on the proposed resolution at the Meeting. Shareholders who intend to join the Meeting via Zoom are asked to dial-in 30 minutes prior to the start of the Meeting to allow the Company to take your details.

The Company welcomes any questions submitted prior to the Meeting by email to Greg.Knoke@energytechnologies.com.au. Where a written question is raised in respect of the resolutions to be considered at the Meeting, the Company will address the relevant question during the course of the Meeting or by written response after the Meeting (subject to the discretion of the Company it will not respond to unreasonable and/or offensive questions).

Shareholders should monitor EGY's website or the ASX's EGY page for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available via the ASX as required and through its website at https://www.energytechnologies.com.au.

ENERGY TECHNOLOGIES LIMITED
ACN 002 679 469

The attached Explanatory Notes are provided to supply Shareholders with information to allow them to make an informed decision regarding the Resolutions set out in this Notice of Meeting. The Explanatory Notes are to be read in conjunction with this Notice.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

BUSINESS OF THE MEETING

ORDINARY BUSINESS

1. Resolution 1 - Ratification of prior issue of Placement Shares

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

"*That for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of an aggregate of 124,746,500 fully paid ordinary Shares in the Company to sophisticated and professional investors at an issue price of $0.02 (2 cents) per Share, which issues occurred on 14 May 2026, 2 June 2026 and 29 June 2026, is ratified."*

Further details in respect of Resolution 1 are set out in the Explanatory Notes accompanying this Notice of Extraordinary General Meeting.

2. Resolution 2 - Election of Director – Doron Eldar

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

"*That for the* purpose *of ASX Listing Rule 14.4, Article 10.04 of the Company's Constitution and for all other purposes, Mr Doron Eldar, who holds office until the conclusion of the next annual general meeting in accordance with Article 10.04 of the Company's Constitution, and being eligible, offers himself for election as a Director of the Company*."

Further details in respect of Resolution 2 are set out in the Explanatory Notes accompanying this Notice of Extraordinary General Meeting.

3. Resolution 3 – Approval of Equity Incentive Plan

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

"*That, for the purposes of ASX Listing Rule 7.2 Exception 13(b), sections 200B, 200E and 259B(2) of the Corporations Act and for all other purposes, shareholders approve the Company's Equity Incentive Plan.*"

Further details in respect of Resolution 3 are set out in the Explanatory Notes accompanying this Notice of Extraordinary General Meeting.

SPECIAL BUSINESS

4. Resolution 4 - Adoption of New Constitution

To consider and if thought fit to pass (with or without amendment) the following resolution as a **special resolution**:

"That, pursuant to section 136(2) of the Corporations Act 2001 (Cth) and for all other purposes, the Existing Constitution of the Company be repealed in its entirety and the New Constitution as described in the Explanatory Notes is adopted, with effect from the conclusion of this Meeting."

Further details in respect of Resolution 4 are set out in the Explanatory Notes accompanying this Notice of Extraordinary General Meeting.

By order of the Board and Directors of the Company

Notes:

Entitlement to Vote

For the purposes of section 1074E(2)(g)(i) of the Corporations Act and the Corporations Regulation 7.11.37, the Board has determined that in relation to the Extraordinary General Meeting being convened by this Notice shares will be taken to be held by the persons who are registered holders at 7.00 pm (Sydney time) on Saturday, 1 August 2026.

Accordingly Share transfers registered after that date will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting at the meeting

You may vote by participating in the Meeting (via Zoom or in person) or by appointing an attorney or corporate representative to participate in the Meeting and vote for you. Alternatively, Shareholders who are entitled to vote at the Meeting may vote by appointing a proxy to participate and vote on their behalf, using the Proxy Form accompanying this notice or by appointing a proxy online.

Voting in person virtually

Shareholders wishing to vote via Zoom, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must log in online to participate in the Meeting to be held at 10.00am (Sydney time) on Monday, 3 August 2026 by going to site at the following link:

https://us06web.zoom.us/j/81596054894?pwd=Nu9WLR68BBF3Bq0uL2iyFNUTdb1bYq.1

Meeting ID: 815 9605 4894
Passcode: 794650

Shareholders, their attorneys (or in the case of Shareholders or proxies which are corporations, corporate representatives), who plan to participate in the Meeting via Zoom should log in online 30 minutes prior to the time designated for the commencement of the Meeting, if possible, to register.

Voting by attorney

If you wish to appoint an attorney to vote at the Meeting, the original or a certified copy of the power of attorney under which the attorney has been appointed must be received by the Company Secretary no later than 10.00am (Sydney time) on Saturday, 1 August 2026 (or if the Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Meeting in relation to the resumed part of the Meeting).

Any power of attorney granted by a Shareholder will, as between the Company and that Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant Shareholder is lodged with the Company.

Your appointment of an attorney does not preclude you from logging in online or attending in person, and participating and voting at the Meeting. The appointment of your attorney is not revoked merely by your participation and taking part in the Meeting, but if you vote on a resolution, the attorney is not entitled to vote, and must not vote, as your attorney on that resolution.

Voting by proxy

Shareholders wishing to appoint a proxy to vote on their behalf at the Meeting must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Notice of Meeting. A person appointed as a proxy may be an individual or a body corporate.

Completed Proxy Forms must be delivered to the Company Secretary by 10.00am (Sydney time) on Saturday, 1 August 2026 in any of the following ways:

By mail to:

The Company Secretary
Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100

by email to:

greg.knoke@energytechnologies.com.au

A proxy need not be a Shareholder.

If you appoint a proxy and subsequently wish to attend the meeting yourself, the proxy will retain your vote and you will be unable to vote yourself unless you notify the Company Secretary of the revocation of your proxy appointment before the commencement of the Meeting. You may notify the Company Secretary by calling (02) 8978 2600.

If a proxy appointment is signed by a Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman will act as proxy.

You are entitled to appoint up to two proxies to participate in the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy you must specify the names of each proxy and the percentage of votes or number of securities for each proxy on the Proxy Form. Replacement Proxy Forms can also be obtained from the Share Registry or the Company Secretary.

If you hold Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.

Corporate Representation

If your holding is registered in a company name and you would like to attend the meeting in person (and do not intend to return a proxy form), please bring with you to the meeting a duly completed Appointment of Corporate Representative Form to enable you to attend and vote at the Extraordinary General Meeting.

Alternatively, if you intend to attend the meeting via Zoom, please ensure the completed Appointment of Corporate Representative Form is delivered to the Company Secretary by 10.00am (Sydney time) on Saturday, 1 August 2026 as follows:

By mail to:

The Company Secretary
Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100

The appointment of a representative may set out restrictions on the representative's powers. The appointment must comply with section 250D of the Corporations Act.

The original Appointment of Corporate Representative Form, a certified copy of the form, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

Undirected Proxies

If a Shareholder nominates the Chairman of the Meeting as that Shareholder's proxy, the person acting as Chairman of the Meeting must act as proxy under the appointment in respect of any or all items of business to be considered at the Meeting.

If a proxy appointment is signed or validly authenticated by that Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman of the Meeting will act as proxy in respect of any or all items of business to be considered at the Meeting.

Proxy appointments in favour of the Chairman of the Meeting, the Company Secretary or any Director which do not contain a direction as to how to vote will be voted in favour of the resolution at the Meeting.

The Chairman intends to vote undirected proxies of which the Chairman is appointed as proxy in favour of the resolutions.

Questions and comments by Shareholders at the Meeting

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company. Please send your questions via email to:

Greg Knoke
Company Secretary
Energy Technologies Limited
Greg.Knoke@energytechnologies.com.au

Your questions should relate to matters that are relevant to the business of the Extraordinary General Meeting, as outlined in this Notice of Meeting and Explanatory Notes.

In accordance with the Corporations Act and the Company’s policy, a reasonable opportunity will also be provided to Shareholders attending the Extraordinary General Meeting to ask questions about, or make comments upon, matters in relation to the Company.

During the course of the Extraordinary General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable. However, there may not be sufficient time to answer all questions at the Extraordinary General Meeting. Please note that individual responses may not be sent to shareholders.

For and on behalf of the Board of Directors

Gregory Knoke
Company Secretary
1 July 2026

Voting Exclusion Statements

Resolution 1 – Ratification of prior issue of Placement Shares

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of any persons who participated in the Placement or any associate of those persons.

However, votes will not be disregarded if cast by or on behalf of:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- 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.

Resolution 3 – Approval of Equity Incentive Plan

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of any person who is eligible to participate under the Equity Incentive Plan or any associate of those persons.

However, votes will not be disregarded if cast by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chairman to vote on the resolution as the Chairman decides; or
- 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.

Voting Prohibition:

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 this Resolution if:

- the proxy is either:
  - a member of the KMP or a Director of the Company; or
  - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the Chair of the Meeting; and
- the appointment expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

Explanatory Notes

These are the Explanatory Notes for the shareholders of Energy Technologies Limited (**Company**) for the Extraordinary General Meeting to be held at 10.00am (AEST) on Monday, 3 August 2026. The Explanatory Notes explain the items of business to be considered at the Meeting and are provided to assist Shareholders in their consideration of the proposed Resolutions 1 to 4 inclusive, contained in the Notice of Meeting, and form part of that Notice of Meeting

1. Resolution 1: Ratification of prior issue of Placement Shares

1.1. Proposed resolution

Resolution 1 seeks that for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of an aggregate of 124,746,500 fully paid ordinary shares in the Company to sophisticated and professional investors under a Share placement for the price of $0.02 (two cents) per Share, of which 98,246,500 Shares were issued on 14 May 2026, 7,750,000 Shares were issued on 2 June 2026 and 18,750,000 Shares were issued on 29 June 2026, is ratified.

1.2. Background

On 8 May 2026, EGY announced a Share placement (**Placement**) through the issue of fully paid ordinary shares (**Placement Shares**) at an issue price of $0.02 per Share (**Issue Price**).

The Placement closed successfully and was supported by new sophisticated and professional investors, as well as existing Shareholders. Under the Placement, 98,246,500 Placement Shares were issued on 14 May 2026, 7,750,000 Shares were issued on 2 June 2026 and 18,750,000 Shares were issued on 29 June 2026 to sophisticated and professional investors, to make up an aggregate of 124,746,500 Placement Shares raising a total of approximately $2.49 million.

Funds raised under the Placement will be applied to general working capital to fund continued capital restructuring of the Company by reducing debt reliance and to fund costs of the Placement.

The Issue Price represented a discount of 20% to the closing price of $0.025 on 4 May 2026, prior to announcement of the Placement.

1.3. ASX Listing Rules 7.1 and 7.1A

ASX Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue or agree to issue more equity securities in any rolling 12-month period other than the amount which is equal to 15% of its fully paid ordinary securities on issue at the start of that 12 month period (**15% capacity**).

ASX Listing Rule 7.1A provides that, in addition to issues under the 15% capacity, a company which has obtained the approval of its shareholders under ASX Listing Rule 7.1A in respect of a relevant period, may issue or agree to issue equity securities of an additional amount which is equal to 10% of its fully paid ordinary securities on issue at the start of that 12 month period (**10% additional capacity**).

Listing Rule 7.4 allows the Shareholders of the Company to approve an issue of equity securities after it has been made or agreed to be made. If Shareholders approve the issue, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under that rule (i.e. by ratifying this previous issue, the Company will retain the flexibility to issue equity securities in the future (equal to the number of securities for which this approval is being sought) within the limits of ASX Listing Rules 7.1 and 7.1A without needing to seek further Shareholder approval).

If Resolution 1 is passed, the Placement Shares to Placement investors will be excluded in calculating the Company's 15% capacity in Listing Rule 7.1 and 10% additional capacity in Listing Rule 7.1A, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 1 is not passed, the issue of the Placement Shares will be included in calculating the Company's 15% capacity in Listing Rule 7.1 and 10% additional capacity under Listing Rule 7.1A, in the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date. The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval under Listing Rule 7.1.

Accordingly, Resolution 1 seeks Shareholder approval to allow the Company to refresh its placement capacity under ASX Listing Rule 7.1 and 7.1A with respect to the Placement Shares issued to Placement investors prior to the date of this Meeting.

1.4. Information required by ASX Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, Shareholders are provided with the following Information:

Recipients of Issue	Existing qualified shareholders and new sophisticated and professional investors identified or introduced by the Company's adviser, Shaw and Partners, through seeking expressions of

	interest to participate in the Placement from non-related parties of the Company. None of the new investors are material investors in the Company.
Number and class of the securities issued	124,746,500 fully paid ordinary shares
Date on which the Securities were issued	98,246,500 Placement Shares were issued on 14 May 2026, 7,750,000 Placement Shares were issued on 2 June 2026 and 18,750,000 Shares were issued on 29 June 2026
Issue Price	$0.02 per Placement Share to raise a total of $2,494,930
Purpose of the issue	Funds raised under the Placement will be applied to general working capital to fund continued capital restructuring of the Company by reducing debt reliance and to fund costs of the Placement.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

1.5. Board Recommendation

As explained above, the effect of Shareholder approval for Resolution 1 is the reinstatement of the Company's 15% capacity and 10% additional capacity.

The Directors do not currently have any specific intention to make any further issue of Shares without approval of Shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to capacity limits under ASX Listing Rule 7.2. However, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 15% capacity and 10% additional capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

2. Resolution 2: Election of Director – Doron Eldar

2.1. Proposed resolution

Resolution 2 is for the election of Mr Doron Eldar as a Director of the Company.

2.2. Background

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity. This provision is substantively replicated in Article 10.04 of the Company's Existing Constitution.

Mr Eldar was appointed to the Board as a Non-Executive Director on 23 January 2026 to fill a casual vacancy. Mr Eldar will hold office until the conclusion of the general meeting pursuant to Article 10.04 of the Constitution, and being eligible to be elected as a director of the Company, offers himself for election.

Prior to his appointment, the Company conducted appropriate checks into Mr Eldar's background and experience.

Mr Doron Eldar is an experienced investor, entrepreneur and non-executive director with over 15 years' experience across public markets, venture capital and private equity. He currently serves on the boards of several ASX-listed and private companies and is a partner in a number of investment funds. Mr Eldar brings strong experience in capital markets, capital structuring and M&A and is actively involved in working with management teams to execute strategy, drive growth initiatives and unlock value in listed company environments.

His experience spans founding, investing in and advising technology-driven businesses across energy, climate, deep-tech and infrastructure-related sectors, with a strong focus on translating strategy into commercial outcomes.

Mr Eldar holds a Bachelor of Business and Managerial Economics.

Mr Eldar is also currently a Director on the Boards of Powerhouse Ventures Limited, Dotz Nano Limited (ASX: DTZ), Electriq~Global Limited, Xerient Pharma Ltd, BIGVU Inc, Bridger Ai Limited and IPulse Medical Ltd and is a Partner at SIBF VC Fund.

If elected, the Board considers that Mr Eldar will qualify as an independent director.

If Resolution 2 is not passed, Mr Eldar will cease to be a Director following the next annual general meeting of the Company, unless elected by Shareholders prior to that time.

2.3. Board recommendation

The Directors (with Mr Eldar abstaining) support the appointment of Mr Eldar to the Board due to the skills and experience that he brings to the position.

The Directors (with Mr Eldar abstaining) recommend that Shareholders vote in favour of Resolution 2.

3. Resolution 3: Approval of Equity Incentive Plan

3.1. Proposed resolution

Resolution 3 seeks the approval of the Company's proposed Equity Incentive Plan (**EIP**).

3.2. Background

The Board remains committed to incentivising and retaining all the Company's Directors, employees and contractors in a manner which promotes alignment of their interests with shareholder interests, whilst at the same time offering eligible participants market-competitive remuneration arrangements.

The Company desires to maintain maximum ability to raise capital in accordance with ASX Listing Rule 7.1, without seeking prior shareholder approval, and to have the flexibility to be able to issue a range of employee incentives, recognising that different types of incentives may suit different employees at different times and under different circumstances.

The Company previously operated an Employee Share Option Plan (the **Existing Plan**), which was last approved by Shareholders at the 2021 annual general meeting of the Company held on 29 November 2021 (**2021 AGM**). Under ASX Listing Rule 7.2 (Exception 13(b)), shareholder approval of an employee incentive scheme operates as an exception to the placement restrictions under ASX Listing Rule 7.1 for a period of three years from the date of that approval.

As the three-year approval period for the Existing Plan has now expired, the Board is seeking shareholder approval to adopt a new Equity Incentive Plan (the **New Plan**) to replace the Existing Plan, with effect from the date of this Meeting.

The New Plan will allow the Board the discretion to choose between offering eligible participants incentives referred to in that Plan, including options, shares, loan funded shares, performance rights, deferred shares, exempt shares and share appreciation rights. Once approved, any securities issued pursuant to the Plan will not reduce the Company's capacity under Listing Rule 7.1.

The New Plan has been substantially updated to reflect significant reforms to the employee share scheme framework under Australian law, including the reforms introduced by the Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022 (the **ESS Act**), which took effect from 1 October 2022 and introduced a new Division 1A into Part 7.12 of the Corporations Act.

A summary of the Equity Incentive Plan is set out in Annexure A to this Explanatory Memorandum.

If this Resolution 3 is not approved by Shareholders, the Company will have no Shareholder-approved equity incentive plan in place and therefore any securities issued to employees, Directors, or contractors under any equity incentive arrangement will count towards the Company's 15% annual placement capacity under ASX Listing Rule 7.1, reducing the Company's ability to raise capital.

3.3. ASX Listing Rules

Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a rolling 12-month period, the amount of equity securities issued (without prior shareholder approval) is or would be more than 15% of the number of ordinary shares on issue at the start of that 12-month period.

Listing Rule 7.2 exception 13(b) provides that an issue of securities under an employee incentive scheme does not detract from the available 15% limit under Listing Rule 7.1 if the issue of securities is made under an employee incentive scheme and that employee incentive scheme was approved by shareholders no more than three years before the date of issue of the securities.

The New Plan is regarded as an employee incentive scheme for the purposes of Listing Rule 7.2 and this Resolution 3 seeks Shareholder approval for the New Plan to meet the 3-year approval requirement.

The Company intends that any issue of securities under the New Plan does not detract from the Company's Listing Rule 7.1 15% entitlement. Accordingly, it is seeking Shareholder approval in order for the Company to be able to issue securities pursuant to the Equity Incentive Plan and have those securities qualify under exception 13(b) to Listing Rule 7.2.

Even where approval of the New Plan is obtained, under the ASX Listing Rules, any proposed grant of securities to a Director or certain persons associated with any Director of the Company would separately require approval of Shareholders in general meeting.

3.4. Information required for Listing Rule 7.2 Exception 13(b)

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

Summary of terms of New Plan	A summary of the terms of the Equity Incentive Plan appears in Annexure A. A full copy of the Equity Incentive Plan is available for inspection on the Company's website at www.energytechnologies.com.auand at the Company's registered office.
Number of securities issued	The Company has previously issued the following securities pursuant to the Existing Plan since its last approval at the 2021 AGM: 3,422,429 Options issued to Directors as approved by shareholders at the 2021 AGM (which have now expired)
The Maximum number of securities proposed to be issued under the New Plan	For the purposes of ASX Listing Rule 7.2 Exception 13(b), the maximum number of securities which may be issued under the New Plan following the approval is 93,704,858 securities. For the purposes of the Corporations Act: • If Resolution 4 (Adoption of New Constitution) is approved, the aggregate number of securities which may be issued under the New Plan for consideration, together with all securities which may be issued under all other employee incentive schemes, shall not at any time exceed 15% of the total number of issued Shares in the Company at the time of issue of the securities under the New Plan over a rolling 3 year period. • If Resolution 4 (Adoption of New Constitution) is not approved, the aggregate number of securities which may be issued under the New Plan for consideration, together with all securities which may be issued under all other employee incentive schemes, shall not at any time exceed 5% of the total number of issued Shares in the Company at the time of issue of the securities under the New Plan over a rolling 3 year period.
Voting exclusion statement	A voting exclusion statement applies to this item of business as set out in the Notice.

3.5. Termination benefits under the Equity Incentive Plan

Section 200B of the Corporations Act requires shareholder approval by ordinary resolution, and in accordance with the special provisions of s 200E of the Act, in order to access the exemption from the prohibition on a company giving a person a benefit in connection with that person's retirement from an office or position of employment in that company where that person is, or was in the three years prior to his or her retirement, in a managerial or executive office in that company.

The Equity Incentive Plan allows the Board, in its discretion, to accelerate vesting of share entitlements on a retirement, which could constitute a benefit otherwise prohibited under Section 200B. In order to give the Board flexibility to exercise its discretions under the New Plan to the extent that an acceleration of vesting could be regarded as providing a person a benefit in connection with that person's retirement from an office or position of employment (**Employment Retirement Benefit**), shareholder approval for the purposes of sections 200B and 200E of the Corporations Act is being sought.

For a section 200B benefit to be allowed, section 200E requires that this Notice provide shareholders with either the value of the proposed benefits or, where the value of the proposed benefits cannot currently be ascertained, the manner in which the value of the proposed benefits is calculated, and the matters, events and circumstances that will, or are likely to, affect the calculation of the value.

a) Value of termination benefits

The Board has not determined that it will exercise discretion to grant any Employment Retirement Benefits. In the circumstances of a possible Employment Retirement Benefit, the value of the benefits that the Board may give under the Equity Incentive Plan cannot be determined in advance, as many of the factors that will or are likely to affect that value will not be known until the time the benefit is decided to be awarded (if at all).

Specifically, the value of an Employment Retirement Benefits will depend on a number of factors, including the Company's share price at the time.

b) *Further voting restrictions*

Insofar as Resolution 3 could relate to the provision of an Employment Retirement Benefit, in accordance with the Corporations Act, a vote on Resolution 3 must not be cast (in any capacity) by or on behalf of any person who may be entitled to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company (or any related body corporate), or an associate of that person. However, a person is entitled to cast a vote if:

- it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; and

- it is not cast on behalf of that person or an associate of that person.

As at the date of this Notice, the Board has not identified any particular person to receive a benefit in connection with that person's retirement from a managerial or executive office in the Company.

3.6. Loans for and security over Shares

Section 259B(2) of the Corporations Act permits a Company to take security over its own shares issued pursuant to an employee share scheme under certain conditions, including where prior shareholder approval of the employee share scheme has been obtained. Accordingly, the Company is seeking shareholder approval under Resolution 3 in respect of the operation of section 259B(2) of the Corporations Act, for circumstances where the Company elects to provide an employee assistance in the acquisition of shares in itself, such as providing a loan for the acquisition of securities under the Equity Incentive Plan, and taking security over its own shares for repayment of the loan.

Section 260A of the Corporations Act allows only limited circumstances under which a company may provide financial assistance for the acquisition of shares in itself without obtaining prior shareholder approval, including pursuant to Section 260A(1) the giving of the assistance which does not materially prejudice (i) the interests of the company or its shareholders, or (ii) the company's ability to pay its creditors. The Board is of the view that the Section 260A(1) exemption is applicable, and at the relevant times will be applicable, to any loans that may be granted for the exercise of securities under the Equity Incentive Plan. Accordingly, the Company will not be seeking shareholder approval with respect to Section 260A of the Corporations Act.

Board recommendation

Given the eligibility of Directors to be issued with securities under the New Plan, the Directors abstain from providing a recommendation with respect to this Resolution.

4. Resolution 4: Adoption of New Constitution

4.1. Proposed resolution

Resolution 4 is to approve the adoption of the New Constitution with effect from the close of this Meeting.

4.2. Background

Resolution 4 is a special resolution pursuant to section 136(2) of the Corporations Act which proposes the repeal of the Company's existing constitution adopted on 23 November 2007 (**Existing Constitution**) and adopt a new constitution (**New Constitution**), which is being updated to ensure that it reflects the current requirements of the Corporations Act, the ASX Listing Rules, good governance and current market practices. The Directors believe that in the circumstances it is preferable to replace the Existing Constitution with the New Constitution, rather than to amend a multitude of specific rules.

The New Constitution is broadly consistent with the provisions of the Existing Constitution subject to the comments below.

Shareholders may download a copy of the New Constitution from the Company's website (www.energytechnologies.com.au).

Shareholders may request a hard copy of the New Constitution by contacting the Company Secretary by email at greg.knoke@energytechnologies.com.au.

It is not practicable to list all of the proposed changes to the Constitution in detail, however a summary of those amendments which in the view of the Directors are material, are set out in the next section.

4.3. Summary of material changes

The New Constitution contains certain changes from the Existing Constitution which will not have a material impact on Shareholders. These include:

- to update immaterial provisions to reflect the current position under the Corporations Act, ASX Listing Rules and other applicable law;
- of a drafting, procedural or administrative nature; and
- to remove outdated and redundant provisions.

It is not practicable to list all of the differences between the Existing Constitution and New Constitution in detail in these Explanatory Notes. However, a summary of the material differences is set out below (capitalised terms have the meaning given to them in the New Constitution)

a) Virtual general meetings

In 2022, amendments were made to the Corporations Act to allow for virtual-only general meetings if they were expressly permitted or required by an entity's constitution. The Existing Constitution did not include an express provision which is in accordance with the requirements of the Corporations Act to enable general meetings to be held wholly virtually.

Section 12.2 of the New Constitution provide that any general meeting may be held wholly virtually, using technology only, provided the technology gives members as a whole a reasonable opportunity to participate in the meeting.

b) Employee incentive plan issue cap

The *Treasury Laws Amendment (Cost of Living Support and Other Measures) Act 2022* (the **ESS Act**) introduced a new Division 1A into Part 7.12 of the Corporations Act 2001 (Cth). The ESS Act, which took effect from 1 October 2022, makes it easier for companies and registered schemes to access 'regulatory relief' from the Corporations Act's securities disclosure, licensing, advertising, anti-hawking and on-sale regulatory requirements which would otherwise apply when making offers of interests under an ESS.

One key change resulting from the introduction of Division 1A into Part 7.12 of the Corporations Act 2001 (Cth) is that the existing issue cap applicable to listed public companies (ie the maximum number of ESS interests that can be issued over a three-year period being 5% of its share capital) can be increased if a different cap is specified in the company's constitution.

The new provisions contained in section 23.6 of the New Constitution provide that the Company can establish an employee incentive plan and, for the purposes of section 1100V of Division 1A of Part 7.12 the Corporations Act, the issue cap percentage for the Company is 15%.

c) Proportional bid provisions

Section 11 of the New Constitution contains provisions dealing with member approval requirements if there were to be any proportional takeover bids for the Company's securities (**Proportional Bid Provisions**). The Existing Constitution does not contain the Proportional Bid Provisions.

A "proportional takeover bid" means an off-market bid for a specified proportion of the Company's securities held by each shareholder in a class for which a takeover bid has been made. It is not a bid for all securities held by all members of that class, only part of the securities each holds.

Section 648G (in Part 6.5 Subdivision 5C) of the Corporations Act (and Section 11 of the New Constitution) provide that these Proportional Bid Provisions cease to apply at the end of 3 years from their adoption (or last renewal), but that they may be renewed by special resolution of the members.

In seeking the members' approval for adoption of the Proportional Bid Provisions, the Corporations Act requires the below information to be provided to members.

Effect of provisions proposed to be adopted

Clause 11 of the New Constitution provides that the Company is prohibited from registering any transfer of shares giving effect to a contract of sale pursuant to a proportional takeover bid unless and until after the proposed transfer has been approved by the members at a general meeting of the Company (**Approving Resolution**). The person making the offer for the securities (**Bidder**) (and their associates) cannot vote on the Approving Resolution and the Approving Resolution requires the approval of more than 50% of members who are entitled to vote at that meeting.

Clause 11 of the New Constitution also provides that:

- If an Approving Resolution is not voted upon within 14 days of the end of the bid period, the Approving Resolution is deemed approved; and
- If the Approving Resolution is rejected,
  - all unaccepted offers under the proportional takeover bid are deemed withdrawn,
  - the Bidder must rescind each contract created as a result of the acceptance of an offer under that proportional takeover bid, and

- a Member who has accepted an offer made under the Proportional Bid is entitled to rescind the contract (if any) resulting from that acceptance.

Reasons for the proposed adoption

The Directors believe that the members should have the choice of considering whether to accept a bid from another person for what might become control of the Company without the members having the opportunity to dispose of all of their securities (rather than just some of their securities, as would be the case under a proportional takeover bid). If the adoption of the Proportional Bid Provisions is approved and any proportional takeover bid (if any) is subsequently approved by members, each member will still have the right to make a separate decision whether that member wishes to accept the (proportional takeover) bid for their own securities.

Awareness of current acquisition proposals

As at the date of this Explanatory Memorandum, none of the Directors is aware of any proposal for any person to acquire (or increase the extent of) a substantial interest in the Company from its current level.

Potential advantages and disadvantages of the proposed resolution for both directors and shareholders

An advantage to the directors of adopting the Proportional Bid Provisions is that the Board will be able to assess the member's acceptance or otherwise of a proportional takeover bid should one be made.

As stated above, adopting Clause 11 of the New Constitution provides the members with the choice of considering whether to accept a bid for what might become control of the Company without the members having the opportunity to dispose of all of their securities (rather than just some of their securities, as would be the case under a proportional takeover bid). If Resolution 4 is not approved and Clause 11 of the New Constitution is not adopted, members will not have this opportunity.

On the other hand, it may be argued that the adoption of Clause 11 of the New Constitution may make proportional takeover bids more difficult to succeed and therefore effectively discourage proportional takeover bids being made and reduce the freedom for members to sell some of their securities.

Board Recommendation

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

GLOSSARY

In the Notice of Meeting and Explanatory Notes the following terms have the following meanings:

ASX means ASX Limited.

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

Board means the board of directors of the Company.

Chairman means the person chairing the Meeting from time to time.

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

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependent of the member or of the member's spouse; or
- anyone else who is one of the member's family, and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- a company the member controls; or
- a person prescribed by the Corporations Regulations.

Company or **EGY** means Energy Technologies Limited (ASX:EGY) ACN 002 679 469.

Constitution or **Existing Constitution** means the Company's constitution in place as at the commencement of the Meeting.

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

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

Director means a current director of the Company.

Equity Incentive Plan or **New Plan** means the proposed new Equity Incentive Plan of the Company, being the subject of Resolution 3, a summary of which is set out in Annexure A to this Notice.

Equity Security means:

- a share;
- a unit;
- an option over an issued or unissued share or unit;
- a right to an issued or unissued share or unit;
- an option over, or right to, a security referred to in (c) or (d) above;
- a convertible security;
- any security that ASX decides to classify as an equity security,

but not a security ASX decides to classify as a 'debt security'.

Existing Plan means the Company Employee Share Option Plan as last approved by Shareholders at the annual general meeting of the Company held on 29 November 2021.

Explanatory Notes means the explanatory notes to this Notice of Meeting.

Extraordinary General Meeting, **EGM** or **Meeting** means the Extraordinary General Meeting of the Shareholders of the Company to be held at 10.00am (AEST) on Monday, 3 August 2026, to which the Notice of Meeting and Explanatory Notes relate.

Key Management Personnel or **KMP** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Directors.

New Constitution means the proposed new constitution of the Company, being the subject of Resolution 4, a copy of which is available for download from the Company's website (www.energytechnologies.com.au).

Notice or **Notice of Meeting** means this notice of meeting of the Company.

Officer means a current officer of the Company.

Related Party has the meaning given in section 228 of the Corporations Act and in respect of the Company includes (but is not limited to):

- the Directors;
- their spouses, parents and children; and
- an entity controlled by a Director (or their spouses, parents and children), unless that entity is also controlled by the Company.

Resolution means a resolution referred to in the Notice.

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

Share Registry means Computershare Investor Services Ltd.

Shareholder means a holder of Shares.

VWAP means the Volume Weighted Average Price.

Words importing the singular include the plural and vice versa. All references to currency are in Australian dollars.

Annexure A – Summary of terms of Equity Incentive Plan

1. Part 1- General Equity Incentive Plan Terms:

A summary of the terms of each of the constituent awards under the Equity Incentive Plan (**Plan**) is as follows. Copies of the Plan are available for inspection at the Company's registered office and will be provided without charge to shareholders on request.

Only those Employees, Directors and Contractors of the Company invited by the Board, in its absolute discretion, to apply for Awards will be eligible to participate (**ESS Participants**). Participation in the Plan is voluntary.

1.1 Types of Award

The Plan Rules allow for the following Awards to be offered by the Board to ESS Participants:

(a) a **Loan Share**, by which the Company may provide an Acquisition Loan in relation to Loan Shares by making a loan to an ESS Participant on the terms set out in an Offer and in the Plan Rules - *refer Part 2 below for further detail*;

(b) an **Option** - a right to acquire a Share in the Company subject to achievement of specified vesting conditions and payment of the relevant exercise price - *refer Part 3 below for further detail*;

(c) a **Performance Right** to acquire a Share issued in the Company subject to achievement of the specific performance-based vesting conditions - *refer Part 4 below for further detail*;

(d) a **Deferred Share Award**, which are Shares issued to ESS Participants:

(i) who elect to receive Shares in lieu of any wages, salary, director's fees, or other remuneration; or

(ii) by the Company in its discretion, in addition to their wages, salary and remuneration, or in lieu of any discretionary cash bonus or other incentive payment;

(e) an **Exempt Share Award** may be offered, which are Shares issued for no consideration or at an Issue Price which is a discount to the Market Price with the intention that up to $1,000 (or such other amount which is exempted from tax under the Tax Act from time to time) of the total value or discount received by each ESS Participant will be exempt from tax;

(a) a **Share Appreciation Right**, which is a right to be issued Shares for nil Exercise Price, or a cash settlement, upon the satisfaction of specified vesting conditions — *refer Part 5 below for further detail*;

(f) any other ESS Interest as defined under section 1100M of the Corporations Act.

1.2 Offer Letters

Awards will be issued to ESS Participants that accept the terms of offer outlined in the letter of offer (**Offer Letter**). Participation in the Plan is voluntary. Where the Awards are being offered for consideration, The Offer Letter will detail the following terms:

(a) the identity of the ESS Participant to whom the offer is made;

(b) the terms of the offer (e.g. the type of Award to be offer, number of Awards, exercise period, exercise price or issue price, vesting conditions, disposal restrictions and expiry date);

(c) general information about the risks of acquiring and holding the Award;

(d) a statement that advice given in relation to the offer does not take into account the ESS Participant's objectives, financial situation and needs;

(e) the period during which the ESS Participant may accept the offer;

(f) if ESS Interests may be acquired under the offer using a loan or contribution plan, the terms of the loan or plan;

(g) any other terms or conditions that the Board decides to include; and

(h) any other matters required to be specified in the offer by either the Corporations Act, any other regulations, rules, relief or legislative instruments or applicable laws that apply at the time of the offer, or the Listing Rules.

1.3 Exercising an Award

Exercising the Award is done by providing the Company with a Notice of Exercise stating the number of Award units to be exercised, and if required, accompanied by payment of the Exercise Price or acceptance of a loan agreement with the Company, to fund the Exercise Price.
Once an ESS Participant has exercised a vested Award (including payment of the Exercise Price where required), the Company will issue new Shares to the Participant. If the Company has provided a loan to the Participant to fund the exercise price, the shares will be issued with disposal restrictions.

1.4 General Provisions

Generally, if the ESS Participant ceased employment or engagement with the Company the below will apply:

(a) If an ESS Participant is not a Good Leaver, unvested Awards held by the relevant ESS Participant will immediately lapse or be forfeited.

(b) If an ESS Participant is a Good Leaver, they will retain all vested Awards subject to their terms in the Offer Letter and retain a number of unvested Awards on a pro-rata basis (subject to the relevant vesting conditions), with the remaining unvested Awards being compulsorily divested, unless the Board in its absolute discretion determines otherwise.

(c) Outstanding loans by the Company (for the acquisition of Loan Shares) are to be repaid upon the date on which the ESS Participant ceases to be an employee.

Options and Performance Rights do not confer any right to vote (except as otherwise required by law) or any entitlement to a dividend. Holders can vote in respect of Shares acquired under the Plan upon the exercise of vested Options and Performance Rights

Subject to further detail contained in Parts 2, 3 and 4 below, in general:

(a) Options and Performance Rights

(i) are Restricted Awards until they are exercised or expire.

(ii) may specify a Restriction Period for Shares issued on their exercise.

(iii) are subject to adjustment where there is a reorganisation of capital of the Company (other than by way of a bonus issue or issue for cash) to the extent necessary to comply with the Listing Rules as they apply at the relevant time (**Reorganisation Adjustment**).

(b) Loan Shares

(i) are Restricted Awards until Vesting Conditions are satisfied and the Loan is repaid or satisfied; and

(ii) Loan and security terms apply.

(c) Deferred Share Awards

Unless a different Restriction Period is specified in an Offer Letter, the Restriction Period for Deferred Share Awards will expire on the earlier of:

(i) when an ESS Participant ceases to be an employee;

(ii) when the Board, in its discretion, agrees to end the Restriction Period; and

(iii) 10 years from the date of issue of the Shares.

(d) Exempt Share Awards

Unless a different Restriction Period is specified in an Offer Letter, the Restriction Period for Exempt Share Awards will expire on the earlier of:

(i) three years from the date of issue of the Shares; and

(ii) the time when an ESS Participant ceases to be an employee.

The Company will offer Exempt Share Awards on a non-discriminatory basis as defined by section 83A-35(6) of the Tax Act.

1.5 Dilution Limit

When an Offer of Awards for monetary consideration is made under the Plan, the Company must have reasonable grounds to believe that the offer would not exceed the applicable issue cap under section 1100V of the Corporations Act, subject to any adjustment or increase to a limit prescribed in the Constitution (**Issue Cap**).

An offer of Awards for no monetary consideration is not limited by the Issue Cap.

1.6 Default Vesting Conditions

If vesting conditions or other vesting events are not specified in an Offer and the Offer does not expressly state to the effect that no vesting conditions apply, the following Vesting Conditions apply to any Options, Performance Rights, Loan Shares or Share Appreciation Rights offered under the Plan:

(a) the Awards only vest if at the applicable vesting date the Participant either:

(i) remains employed with a Group Member, continues to provide consulting services to a Group Member or acts as a director of a Group Member (as applicable); or

(ii) ceased to do so before the applicable vesting date in circumstances where the person was a Good Leaver; and

(b) the Awards vest in equal one-third tranches on the first, second, and third anniversaries of the grant date of the Awards (or of another date specified in the Offer Letter for this purpose).

1.7 Termination of Employment

If an ESS Participant's employment with the Company or its subsidiaries ceases, then:

(a) If that employee is a Good Leaver:

(i) the employee will retain all vested Awards subject to their terms in the Offer Letter; and

(ii) they will retain a number of unvested Awards on a pro-rata basis (subject to the relevant vesting conditions), with the remaining unvested Awards being compulsorily divested,

unless the Board, in its absolute discretion, determines otherwise.

(b) If that employee is an Other Leaver:

(i) unvested Awards will immediately lapse or be forfeited;

(i) any Shares issued upon exercise of an Award will be retained; and

(ii) any vested Awards that have not been exercised will be retained,

unless the Board, in its absolute discretion, determines otherwise.

"**Good Leaver**" means a person who has ceased to be employed or engaged by a Group Member as a result of that person's:

(a) total or permanent disablement, or an illness which persists for at least 3 months, which in either case prevents the person from carrying out their previous functions as an employee, contractor or director;

(c) genuine redundancy;

(d) bona fide retirement;

(e) death; or

(f) other factors determined by the Board in its discretion to constitute sufficient reason to treat the person as a Good Leaver;

provided that the ESS Participant has not committed a material breach of their employment contract or obligations during their employment or engagement with the Company Group.

"Other Leaver" means a person who has ceased to be employed or engaged by the Company or its subsidiary, in circumstances where they are not a Good Leaver.

1.8 Takeovers

If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated which has an effect similar to a full takeover bid for Shares in the Company, then Participants are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Awards, other than Exempt Share Awards, notwithstanding that a restriction period in respect of such Awards has not expired. The Board may, in its discretion, waive unsatisfied vesting conditions in relation to some or all Awards in the event of such a takeover or other transaction.

1.9 Control Events

On or prior to an Exit Event, the Board may, in its absolute discretion:

(a) where there is a Reconstruction Event, provide for the grant of a substituted Award by the New Holding Entity or arrange for some or all of the Awards to be acquired by the New Holding Entity in exchange for their Market Price;

(b) buy back or cancel some or all of the Awards in exchange for their Market Price; or

(c) notify ESS Participants of the number of Awards that will vest, make appropriate arrangements to ensure that such Awards are able to be exercised on or prior to the Exit Date, and use reasonable endeavours to ensure that Awards are accorded the same rights and receive the same benefits in relation to the Exit Event as pre-existing Shares.

1.10 Ranking

Shares allotted under or on the exercise of an Award will, upon allotment, be credited as fully paid, rank equally for dividends and other entitlements where the record date is on or after the date of allotment (but will carry no right to receive any dividend or entitlement where the record date is before the date of allotment), be subject to any restrictions imposed under the Plan, and otherwise rank equally with the existing issued Shares at the time of allotment.

1.11 Reorganisation Event

If, prior to the exercise of an Award, the Company undergoes a reorganisation of capital (other than by way of a bonus issue or issue for cash) the terms of the Awards of the Participant will be changed to the extent necessary to comply with the Company's Constitution, the Corporations Act and/or the Listing Rules applying to a reorganisation at the time of the reorganisation (which adjustment formula will apply even where the Company is not admitted to the ASX Official List).

1.12 Powers of the Board

The Board has the absolute discretion to:

(a) determine appropriate procedures for administration of the Plan;

(b) amend any offer related to any Award;

(c) waive or amend any Vesting Conditions (unless excluded by the terms of the Award);

(d) amend the Plan, provided that such amendments do not materially prejudice the rights of existing ESS Participants except where the amendment is made primarily:

  (i) for the purpose of complying with a law which affects the Company, an ESS Participant, or Awards;

  (ii) for the purpose of complying with the Listing Rules; and

(g) If a Malus Event occurs, to:

  (i) cancel some or all of an ESS Participant's unvested Awards; or

  (ii) amend the vesting conditions which apply to the relevant Awards,

provided that the exercise of its powers is in accordance with the Listing Rules.

1.13 Clawback

The Plan includes malus and clawback provisions which allow the Board, in certain defined circumstances, to reduce, cancel or recover Awards or financial benefits received by an ESS Participant. The Board may exercise its clawback powers in certain circumstances including where it is determined (including after the fact) that:

(a) a Vesting Condition was not, in fact, satisfied;

(b) the ESS Participant was not entitled to the benefit of any Good Leaver vesting that was applied;

(c) a Malus Event has occurred (including serious misconduct, fraud, material breach of obligations owed to the Group, or conduct contributing to a material misstatement of the Company's financial results); or

(d) the ESS Participant has breached a restraint clause in their employment or services agreement.

Where clawback is triggered, the Board may (in its discretion) require one or more of the following:

(a) expiry of all or some unvested Awards;

(b) compulsory transfer or sale of Loan Shares;

(c) transfer of vested Shares to the Company for nil consideration; and/or

(d) repayment of sale proceeds and dividends received on Shares issued on exercise of Awards, as a debt due to the Company.

1.14 Hedging

ESS Participants are prohibited from entering into any transaction or arrangement (including by way of derivatives or similar financial products) which limits or reduces the economic risk of holding unvested Awards.

Key management personnel must also comply with any additional restrictions imposed by the Corporations Act and the Company's Securities Trading Policy.

A breach of the hedging prohibition may, at the Board's discretion, be treated as a Malus Event and result in cancellation of some or all of that ESS Participant's unvested Awards or trigger the clawback provisions described above.

1.15 Governing law

The Plan is governed by the laws of Victoria, Australia. Each ESS Participant and the Company submit to the non-exclusive jurisdiction of the courts of Victoria in connection with any dispute relating to the Plan.

2. Part 2 - Loan Share Terms:

The Plan empowers the Board to exercise its discretion to issue fully paid ordinary shares in the Company (**Loan Shares**) to employees who qualify to participate in the Plan, upon the basis that the Company advances the ESS Participant the funds to purchase the Loan Shares pursuant to the terms of a secured limited recourse loan agreement between the Participant and the Company (**Loan**) and that Participant on the terms set out in an Offer Letter and in the Plan.

2.1 Loan Terms

The key terms of the Loan are as follows, unless otherwise determined by the Board:

(a) the amount of the Loan will be equal to the aggregate Issue Price of the Loan Shares offered;

(b) the Loan may only be applied towards the issue price for the Loan Shares;

(c) the Loan will be interest free;

(d) the ESS Participant may be required to execute documents to grant a security interest over the Loan Shares, a holding lock and/or a restriction agreement;

(e) Loan Shares are Restricted Awards until the Vesting Conditions applicable (if any) are satisfied and/or the Loan is repaid, unless the Board in its discretion determines otherwise;

(f) while the Shares are Restricted Awards, an ESS Participant must not, without the consent of the Board, create any security interest over any Loan Shares or grant any first right of refusal, voting right, or pre-emptive right;

(g) the ESS Participant provides the Company with security over the Loan Shares as security for repayment of the Loan, which security includes a pledge of the Loan Shares and a charge over all dividends and other amounts paid or payable on those Loan Shares;

(h) the Loan period commences when the Loan is made and ends on the earliest of (**Loan Period**):

  (i) the Expiry Date specified in the Offer Letter;

  (ii) the date on which the ESS Participant ceases to be an employee;

  (iii) any buy-back of the Loan Shares under the Plan or disposal of the Loan Shares;

  (iv) the failure to satisfy any Vesting Conditions applicable to the Loan Shares;

  (v) an unremedied breach by the ESS Participant of the Plan; or

  (vi) the bankruptcy (or any similar event as determined by the Board in its discretion) of the ESS Participant; and

(i) the ESS Participant:

  (i) may repay all or part of a Loan made to the ESS Participant at any time before expiry of the Loan Period; and

  (ii) must repay in full the outstanding amount of the Loan at the end of the Loan Period (or return the relevant securities in accordance with the Loan).

2.2 Rights attaching to the Loan Shares

The Loan Shares will rank equally with all other fully paid ordinary shares on issue in the capital of the Company, other than for the provisions of an applicable Restriction Agreement. Holders of Loan Shares will be entitled to exercise all voting rights attaching to those Shares in accordance with the Company's constitution. In addition, holders of Loan Shares will be entitled to participate in dividends declared and paid by the Company in accordance with the Company's constitution, but the Company may retain, or pay to itself on behalf of an ESS Participant, any moneys (including dividends) and any capital distributions that may become payable in respect of a Loan Share in reduction of the amount outstanding under the Loan in respect of that Loan Share.

2.3 Sale of the Loan Shares

The Loan Shares may only be sold by an ESS Participant (who has been granted a limited recourse loan) where the Loan Shares have vested and the Loan has been repaid in full (otherwise any dealing by the Participant in the Loan Shares is prohibited without the prior written consent of the Company).

If the Loan becomes due and payable and the ESS Participant has not repaid the amount of the Loan at the end of the Loan Period, then the Board may, in its discretion, determine that the Company may, on behalf of the ESS

Participant, transfer the Loan Shares to the Company (or its nominee) or sell the relevant Loan Shares. For this purpose, the ESS Participant appoints the secretary of the Company (or his or her duly authorised delegate) as their attorney and authorises them to sell the relevant Loan Shares on behalf of the ESS Participant. The Company and the secretary will have complete discretion in respect of the sale of the relevant Loan Shares.

Where the Board determines to accept a transfer of the Loan Shares to the Company in full satisfaction of the Loan, the Company must accept a transfer of the Loan Shares by the ESS Participant to, or as directed by the Company, as full settlement of the repayment obligation under the Loan.

2.4 Application Form Terms

Each ESS Participant irrevocably appoints the Company and each of its Directors and secretaries from time to time severally as its attorney to sign any document necessary or desirable, and carry out any act, on that ESS Participant's behalf to undertake a buy back or transfer under the Plan.

2.5 Termination benefits under the Plan

The Plan provides that no person will be entitled to any benefit in connection with any person's cessation of employment to the extent that the giving of the benefit would give rise to a breach of Part 2D.2 of the Corporations Act or any other applicable law which limits or restricts the giving of such benefits (**Limiting Legislation**).
If any Limiting Legislation limits the amount of the benefit, or the amount of the benefit that may be given without obtaining shareholder approval, the benefit is capped at that amount and no further benefit is required to be provided. The Company may reduce any benefit in such manner as it determines appropriate to ensure compliance with Limiting Legislation.

3. Part 3 - Option Terms and Conditions:

The number of Options, the Options exercise price and expiry date, any vesting conditions and any applicable restrictions will be determined by the Board in its absolute discretion and will communicated to any ESS Participant by way of an Offer Letter.

3.1 Exercise of Options

The Options may be exercised by the Option Holder delivering to the Company a notice stating the number of Awards to be exercised together with payment of the cash amount equal to the Exercise Price (if any) for the Shares to be issued, on or after the Vesting Date.

The Board may in its discretion determine that Options may also be exercised using a Cashless Exercise Facility in accordance with the following formula:

$$A = B(C–D) / C$$

Where:

A = the number of Shares (rounded to the nearest whole number) to be issued to the ESS Participant;

B = the number of Shares otherwise issuable upon the Exercise of the Options or portion of the Options being exercised;

C = the current market price of one Share determined as of the date of delivery to the Company of the exercise notice; and

D = the Exercise Price.

A person exercising an Option shall have any of the rights of a holder of the shares underlying that Option until the date that such ordinary shares are issued following the exercise of such Option. No adjustment shall be made for cash dividends or other rights for which the record date is prior to the date of such issuance.

3.2 Transfers

The Options are Restricted Awards until they are exercised or expire, and are subject to all restrictions, if any, as described in the Offer Letter.

3.3 Rights Entitlement

An Option does not confer the right to participate in new issues of capital offered to holders of Shares during the currency of the Options without exercising the Options. The Options do not provide any entitlement to dividends paid to ordinary shareholders. The Options do not entitle the Option Holder to vote at any meeting of shareholders

4. Part 4 - Performance Rights

The Plan allows ESS Participants to be granted Performance Rights, which are rights to be issued a Share for nil Exercise Price upon the satisfaction of specified Vesting Conditions specified in the Offer and in accordance with the Rules.

4.1 Entitlements

A Performance Right does not confer upon the holder (**Holder**) the right to:

(a) vote or receive dividends;

(j) a return of capital, whether in a winding up, upon a reduction of capital or otherwise;

(k) participate in the surplus profit or assets of the Company upon a winding up; or

(l) participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the Vesting Conditions are achieved and the Performance Right is exercised.

4.2 Share ranking

All Shares issued upon exercise of the Performance Rights will upon issue rank equally in all respects with all other Shares.

4.3 Transfer / transmission of Performance Rights

A Performance Right may not be sold, transferred, granted a Security Interest over or otherwise disposed of during the Restriction Period.

Each ESS Participant irrevocably appoints each director and the secretary for the time being of the Company severally as his or her attorney or agent, to do all acts and things and to complete and execute any documents in his or her name and on his or her behalf that may be convenient or necessary for the purpose of giving effect to the provisions of the Plan or the terms of an Award.

4.4 Participation in new issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital without exercising the Awards before the record date for the relevant new issue.

4.5 Exercise of Performance Rights

The exercise of a Performance Right is to be effected by the Holder delivering to the Company a notice stating the number of Performance Rights to be exercised, on or after the Vesting Date. Upon a determination from the Board that an applicable Vesting Condition has been satisfied, it will notify the ESS Participant of the number of Awards that have vested and/or lapsed via a Vesting Notice. The date of the Vesting Notice will be the Vesting Date.

4.6 Lapse if Vesting Conditions not achieved

Where the Vesting Conditions of the Performance Rights have not been satisfied by the Expiry Date, at the absolute discretion of the Board, the Performance Rights will either be cancelled, bought back for no consideration, or converted into a nominal number of Shares as determined by the Board.

5. Part 5 — Share Appreciation Rights

The Plan allows ESS Participants to be granted Share Appreciation Rights (**SARs**), which are rights to be issued Shares for nil Exercise Price, or a cash settlement, upon the satisfaction of specified Vesting Conditions. The number of Shares (or the cash amount) received on exercise reflects the appreciation in the Company's share price above the Base Price set at the time the SAR was granted.

The number of SARs to be offered, the Base Price, any Vesting Conditions, any applicable Restriction Period, and the Expiry Date will be determined by the Board in its absolute discretion and communicated to each ESS Participant by way of an Offer Letter.

5.1 Entitlements

A Share Appreciation Right does not, prior to exercise, confer upon the holder the right to:

(a) vote or receive dividends;

(b) a return of capital, whether in a winding up, upon a reduction of capital or otherwise;

(c) participate in the surplus profit or assets of the Company upon a winding up; or

(d) participate in new issues of securities such as bonus issues or entitlement issues.

5.2 Exercise of Share Appreciation Rights

A vested Share Appreciation Right may be exercised by the holder delivering to the Company a notice stating the number of SARs to be exercised, on or after the Vesting Date and on or before the Expiry Date.

Upon valid exercise of a vested SAR, in the absolute discretion of the Board, the Company will either:

(a) issue to the ESS Participant the number of Shares calculated in accordance with the formula set out below; or

(b) where the Offer for the relevant SARs stated that the SARs could be satisfied by either the issue of Shares or the payment of cash, either:

  (i) issue to the ESS Participant the number of Shares calculated in accordance with the formula set out below; or

  (ii) pay to the ESS Participant a cash settlement calculated in accordance with the cash settlement formula set out below.

5.3 Number of Shares Issued on Exercise

Where a SAR is exercised for the issue of Shares, the number of Shares to be issued is the lower of:

(a) the maximum number of Shares to be issued under the Offer as determined by the Board in accordance with the Issue Cap; or

(b) the number calculated using the following formula:

A = (B × C) / D

Where:

A = the number of Shares (rounded to the nearest whole number) to be issued to the ESS Participant;

B = the Market Price of a Share at the time of exercise of the SAR, less the Base Price;

C = the number of SARs being exercised; and

D = the Market Price of a Share at the time of exercise.

5.4 Cash Settlement

Where the Offer for the relevant SARs stated that they may be satisfied in cash, and the Board elects to settle by cash payment rather than by issuing Shares, the cash settlement amount is calculated as the number of Shares that would have been issued under the formula above, multiplied by the Market Price at the time of exercise.

5.5 Transfers

Share Appreciation Rights are Restricted Awards until they are exercised or expire, and are subject to all restrictions described in the Offer Letter.

5.6 Lapse if Vesting Conditions Not Achieved

Where the Vesting Conditions of the Share Appreciation Rights have not been satisfied by the Expiry Date, at the absolute discretion of the Board, the Share Appreciation Rights will either be cancelled, bought back for no consideration, or converted into a nominal number of Shares as determined by the Board.