

Lycopodium Limited (ASX: LYL) Annual General Meeting

PERTH, 16 October 2020

Notice is hereby given that the Annual General Meeting of the shareholders of **Lycopodium Limited** (ASX: LYL) (Company) will be held at Fraser Suites Perth, 10 Adelaide Terrace, East Perth, Western Australia on Thursday, 19 November 2020 at 10.00am (AWST) (Meeting).

The Board has made the decision that it will hold a physical Meeting with the appropriate physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions for physical gatherings.

Investors who are unable or choose not to attend the Meeting can view the AGM presentation which will be available on the Company's website <https://www.lycopodium.com/investor-relations/asx-announcements/> prior to the Meeting.

Shareholders physically present at the Meeting may ask questions at the Meeting once they have been verified. It may not be possible to respond to all questions. Shareholders are encouraged to lodge questions prior to the Meeting. A Shareholder who is entitled to vote at the Meeting may submit a written question to the Company in advance of the Meeting.

We ask that all Shareholders who are unable to attend the Meeting but have questions for consideration at the Meeting, submit their questions so that they are received by the Company no later than five (5) business days before the date of the Meeting, being 12 November 2020. Any questions should be directed to limited@lycopodium.com.

Further, in accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company will not be despatching physical copies of the Notice of Meeting (Notice). Instead, a copy of the Notice can be viewed and downloaded online at <https://www.lycopodium.com/investor-relations/asx-announcements/>.

If you have not elected to receive notices from the Company by email, a copy of your personalised proxy form will be sent to you by mail enclosed with this letter.

Shareholders are encouraged to submit proxy votes either online at www.investorvote.com.au or by returning the enclosed proxy form as per the options below:

Post: Computershare Investor Services Pty Limited
GPO Box 242
MELBOURNE VIC 3001

OR

Fax: 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

Your proxy voting instruction must be received by 10.00am (AWST) on Tuesday, 17 November 2020, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The situation regarding COVID-19 is constantly evolving and therefore the Company may make alternative arrangements to the way in which the Meeting is held. If this occurs, we will notify any changes by way of an ASX announcement and the details will also be made available on our website. Accordingly, the Board encourages shareholders to monitor the Company's website for any updates in relation to the Meeting that may need to be provided. In the meantime, the Board encourages shareholders to submit their proxies as early as possible, even if they intend to attend the meeting in person, as the situation may change (e.g. shareholders may be restricted from travelling or there may be restrictions on how the meeting itself may be held or conducted).

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If you have any difficulties accessing the Notice, please contact the Company's share registry, Computershare Investor Services Pty Limited, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

About Lycopodium Limited (ASX: LYL)

Lycopodium is a leader in its field, working with clients to provide integrated engineering, construction and asset management solutions. We have the expertise to deliver complex, multidisciplinary projects, through to the provision of feasibility studies and advisory services.

Operating across the Resources, Infrastructure and Industrial Processes sectors, we offer a diverse team of industry experts to deliver bespoke and innovative solutions across all commodity types.

With the capability to deliver projects around the world, we have offices in Australia, South Africa, Canada and the Philippines.

For more, visit www.lycopodium.com

LYCOPODIUM LIMITED
ACN 098 556 159
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00 am WST
DATE: Thursday, 19 November 2020
PLACE: Fraser Suites Perth
10 Adelaide Terrace
East Perth WA 6004

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4.00 pm WST on 17 November 2020.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act 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 2020."

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

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – BRUNO RUGGIERO

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

"That, for the purpose of clause 6.3(b)(ii) of the Constitution, Listing Rule 14.4 and for all other purposes, Bruno Ruggiero, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – LAURIE MARSHALL

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

"That, for the purpose of clause 6.3(b)(ii) of the Constitution, Listing Rule 14.4 and for all other purposes, Laurie Marshall, a Director, retires by rotation, and being eligible, is re-elected as a Director."

5. RESOLUTION 4 – REPLACEMENT OF CONSTITUTION

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

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."

6. RESOLUTION 5 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – PETER DE LEO

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

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 17,584 Performance Rights to Peter De Leo (or his nominee) under the Lycopodium Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

7. RESOLUTION 6 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTOR – BRUNO RUGGIERO

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

"That, subject to the passing of Resolution 2, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 12,023 Performance Rights to Bruno Ruggiero (or his nominee) under the Lycopodium Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below

Dated: 16 October 2020

By order of the Board



Justine Campbell
Company Secretary

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) a Closely Related Party of such a member. However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: (i) does not specify the way the proxy is to vote on this Resolution; and expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
Resolution 5 – Issue of Performance Rights to Director – Peter De Leo	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
Resolution 6 – Issue of Performance Rights to Director – Bruno Ruggiero	A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: (a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 5 – Issue of Performance Rights to Director – Peter De Leo	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Peter De Leo) or an associate of that person or those persons.
Resolution 6 – Issue of Performance Rights to Director – Bruno Ruggiero	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Bruno Ruggiero) or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6210 5222.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.lycopodium.com/>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office

immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS – BRUNO RUGGIERO AND LAURIE MARSHAL

3.1 General

Listing Rule 14.4 and clause 6.3(b)(ii) of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Bruno Ruggiero, who has served as a Director since December 2004 and was last re-elected on 23 November 2017, retires by rotation and seeks re-election.

Laurie Marshall, who has served as a Director since December 2004 and was last re-elected on 23 November 2017, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Bruno Ruggiero

Bruno is one of the founding partners of Lycopodium and has had a number of key roles throughout the group's business units since its inception in 1992.

He currently serves as the Technical Director for Lycopodium Minerals, having overarching responsibility for the company's technical knowledge base, capabilities and direction. At an operational level, Bruno's role encompasses extensive project involvement, including responsibility for strategy and the definition and delivery of technical solutions in its EPC business.

Bruno is a mechanical engineer by training, with additional qualifications in process and structural engineering. His experience spans over 30 years in the minerals industry, having worked on various projects and studies in Australia, North America, South America, Europe, Asia and Africa in all facets of the company's business – engineering, procurement, construction and management.

Bruno is an Executive Director of Lycopodium Minerals and a Non-Executive Director of ECG Pty Ltd.

Laurie Marshall

Laurie is one of the founding partners of Lycopodium and a Certified Practicing Accountant with more than 40 years' experience in all facets of business management. He was the company's initial Company Secretary and Chief Financial Officer and was Lycopodium Limited's inaugural Managing Director.

Laurie served as Lycopodium Limited's Managing Director until early 2010 when, with the appointment of Rod Leonard, he took up the positions of Non-Executive Director and Senior Consultant. Laurie has served as a Non-Executive Director on a number of subsidiary company Boards, has maintained a close working relationship with the company's executive team and continues to support the company on an ongoing basis.

Prior to joining Lycopodium, Laurie worked in a variety of government departments and operational mining companies. He has extensive corporate, commercial, financial and operational knowledge and experience and has been instrumental in the development of Lycopodium from its early days as a privately owned engineering consultancy to that of a public company.

3.3 Independence

Bruno Ruggiero

If re-elected the Board does not consider Bruno Ruggiero will be an independent Director.

Laurie Marshall

If re-elected the Board considers Laurie Marshall will be an independent Director.

3.4 Board recommendation

Bruno Ruggiero

The Board has reviewed Bruno Ruggiero's performance since his appointment to the Board and considers that Bruno Ruggiero's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Bruno Ruggiero and recommends that Shareholders vote in favour of Resolution 2.

Laurie Marshall

The Board has reviewed Laurie Marshall's performance since his appointment to the Board and considers that Laurie Marshall's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Laurie Marshall and recommends that Shareholders vote in favour of Resolution 3.

4. RESOLUTION 4 – REPLACEMENT OF CONSTITUTION

4.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of shareholders.

Resolution 4 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type

required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules.

This will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted in December 2004.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website <https://www.lycopodium.com/> and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 8 6210 5222). Shareholders are invited to contact the Company if they have any queries or concerns.

4.2 Summary of material proposed changes

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the recent changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will permit the Company to issue restriction notices to holders of restricted securities in the form of the new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice

to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

Closing date for Director nominations (clause 14.3)

On 19 December 2019, ASX amended Listing Rule 3.13.1 to provide that companies must release an announcement setting out the date of its meeting and the closing date for nominations at least 5 business days before the closing date for the receipt of such nominations. The closing date period under clause 14.3 of the Proposed Constitution has been reduced to at least 30 days (previously it was 30 Business Days) to allow the Company to issue the notification just prior to the notice of meeting which will reduce the risk of having to delay Shareholder meetings to comply with the Listing Rule requirement.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (d) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (e) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 4.

5. RESOLUTIONS 5 AND 6 – ISSUE OF PERFORMANCE RIGHTS TO DIRECTORS – PETER DE LEO AND BRUNO RUGGIERO

5.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue 17,584 Performance Rights to Peter De Leo (or his nominee) and 12,023 Performance Rights to Bruno Ruggiero (or his nominee) pursuant to the Performance Rights Plan and on the terms and conditions set out below (**Performance Rights**).

5.2 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.

The issue of the Performance Rights to Peter De Leo and Bruno Ruggiero (or their nominees) constitutes giving a financial benefit and Peter De Leo and Bruno Ruggiero are related parties of the Company by virtue of being Directors.

The Directors (other than Peter De Leo and Bruno Ruggiero) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights, because the issue of Performance Rights constitutes reasonable remuneration payable to Peter De Leo and Bruno Ruggiero.

5.3 Listing Rule 10.14

Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to Peter De Leo and Bruno Ruggiero falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 5 and 6 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

5.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of the Performance Rights to Peter De Leo and Bruno Ruggiero under the Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 5 and 5 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Peter De Leo and Bruno Ruggiero under the Performance Rights Plan.

5.5 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Performance Rights will be issued to Peter De Leo and Bruno Ruggiero (or their nominees), who each fall within the category set out in Listing Rule 10.14.1, by virtue of Peter De Leo and Bruno Ruggiero being Directors;
- (b) the maximum number of Performance Rights to be issued are as follows:
 - (i) Resolution 5: 17,584 Performance Rights to Peter De Leo (or his nominee); and
 - (ii) Resolution 6: 12,023 Performance Rights to Bruno Ruggiero (or his nominee);
- (c) the current total remuneration package for Peter De Leo is \$613,600, comprising of directors' fees and salary of \$591,906 and a superannuation payment of \$21,694. If the Performance Rights are issued, the total remuneration package of Peter De Leo will increase by \$64,885 to \$678,485, being the value of the Performance Rights (based on the Binomial Tree methodology);
- (d) the current total remuneration package for Bruno Ruggiero is \$509,600, comprising of directors' fees of \$78,000, salary of \$409,906 and a superannuation payment of \$21,694. If the Performance Rights are issued, the total remuneration package of Bruno Ruggiero will increase by \$44,365 to \$553,965, being the value of the Performance Rights (based on the Binomial Tree methodology);
- (e) 26,265 Performance Rights have previously been issued to Peter De Leo under the Performance Rights Plan;
- (f) 21,165 Performance Rights have previously been issued to Bruno Ruggiero under the Performance Rights Plan;
- (g) a summary of the material terms and conditions of the Performance Rights is set out in Schedule 1;
- (h) the Performance Rights are unquoted performance rights. The Company has chosen to grant the Performance Rights to Peter De Leo and Bruno Ruggiero for the following reasons:
 - (i) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - (ii) the issue of Performance Rights to Peter De Leo and Bruno Ruggiero will align the interests of Peter De Leo and Bruno Ruggiero with those of Shareholders;

- (iii) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Peter De Leo and Bruno Ruggiero; and
 - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed;
- (i) the Company values the Performance Rights as follows:
 - (i) Resolution 5: Peter De Leo - \$64,885 (being \$3.69 per Performance Right) based on the Binomial Tree methodology;
 - (ii) Resolution 6: Bruno Ruggiero - \$44,365 (being \$3.69 per Performance Right) based on the Binomial Tree methodology;
- (j) the Performance Rights will be issued to Peter De Leo and Bruno Ruggiero (or their nominees) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on one date;
- (k) the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;
- (l) a summary of the material terms and conditions of the Performance Rights Plan is set out in Schedule 2;
- (m) no loan is being made to Peter De Leo or Bruno Ruggiero in connection with the acquisition of the Performance Rights;
- (n) details of any Performance Rights issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (o) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Performance Rights Plan after Resolution 5 and 6 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

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

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or 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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Lycopodium Limited (ACN 098 556 159).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a performance right issued pursuant to the Performance Rights Plan with the terms and conditions set out in Schedule 1.

Performance Rights Plan means the Lycopodium Incentive Performance Rights Plan last approved by shareholders on 21 November 2019.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

Entitlement

Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder, on conversion, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

Plan

The Company will grant a total of 29,607 Class A Performance Rights (**Performance Rights**) under the Company's Incentive Performance Rights Plan (**Plan**). Defined terms in these terms and conditions have the same meaning as in the Plan. In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

Vesting Condition

Unless otherwise determined by the Board in accordance with the Plan, the Performance Rights will vest on the date which is 3 years after the date of grant (**Vesting Date**), subject to the Relevant Person remaining an officeholder, or employed or engaged by the Company at the Vesting Date (**Vesting Condition**).

Consideration

The Performance Rights will be granted to the Participant (or their permitted nominee) for nil cash consideration.

Exercise Price

The Exercise Price of each vested Performance Right is nil.

Expiry Date

Each Performance Right will expire on the earlier to occur of:

- (a) the date which is 5 years after the date of grant; and
- (b) the Performance Right lapsing and being forfeited under the Plan or these terms and conditions,

(**Expiry Date**). For the avoidance of doubt any vested but unexercised Performance Rights will automatically lapse on the Expiry Date.

Conversion

Upon vesting, each Performance Right will, at the Participant's election, convert into one Share. The Participant may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning to the Company Secretary (**Notice of Exercise**).

Transfer

The Performance Rights are not transferable unless they have vested and only with the prior written approval of the Board and subject to compliance with the Corporations Act and the Listing Rules.

Quotation

No application for quotation of the Performance Rights will be made by the Company.

Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

Shares issued on exercise

All Shares issued upon the exercise of Performance Rights will upon issue rank *pari passu* in all respects with the then Shares of the Company.

Timing of issue of Shares and quotation of Shares on exercise

As soon as practicable after the issue of a Notice of Exercise by the Participant in accordance with clause 7.3 of the Plan and subject to the expiry of any Restriction Period that applies to the Shares under the Corporations Act or the Listing Rules, the Company will:

- (a) issue, allocate or cause to be transferred to the Participant the number of Shares to which the Participant is entitled under the Plan;
- (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the Participant;
- (c) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules

Bonus issue

If Shares are issued by the Company *pro rata* to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Performance Rights is entitled, upon exercise of the Performance Rights, to receive, in addition to the Shares in respect of which the Performance Rights are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a Shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Performance Rights are exercised.

Change of Control

Subject to clause 11 of the Plan, upon the occurrence of a Change of Control, to the extent Performance Rights have not converted into Shares due to satisfaction of a Vesting Condition, Performance Rights will automatically convert to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue in the Company, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue at that time. Performance Rights that are not converted into Shares will continue to be held by the holder on the same terms and conditions.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

A summary of the key terms of the Performance Rights Plan is set out below:

Eligibility

The Board may, from time to time, in its absolute discretion, make a written invitation to apply for up to a specified number of Performance Rights (**Invitation**) to any of the following persons (**Eligible Participants**):

- (a) a Director (whether executive or non-executive) of the Company or any of its associated bodies corporate (**Group Company**);
- (b) a full or part time employee of any Group Company;
- (c) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order [CO 14/1000] (**Class Order**); or
- (d) a prospective participant, being a person to whom the Invitation is made but who can only accept the Invitation if an arrangement has been entered into that will result in the person becoming an Eligible Participant under sub-paragraphs (a), (b) or (c) above.

Invitations

Under the Plan the Board may grant Performance Rights to Eligible Participants with effect from the date determined by the Board, upon the terms set out in the Plan and upon such additional terms and vesting conditions as the Board determines.

The Board will advise each Eligible Participant of the following minimum information regarding the Performance Rights:

- (a) the maximum number of Performance Rights that the Eligible Participant may apply for, or the formula for determining the number of Performance Rights that may be applied for;
- (b) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
- (c) any applicable vesting conditions;
- (d) when unvested Performance Rights will expire;
- (e) the date by which an Invitation must be accepted; and
- (f) any other information required by law or the Listing Rules or considered by the Board to be relevant to the Performance Rights or the Shares to be issued on exercise of the Performance Rights.

Plan limit

The Company must have reasonable grounds to believe, when making an Invitation under the Class Order, that the number of Shares to be received on exercise of Performance Rights offered under an Invitation, when aggregated with the number of Shares issued or that may be issued as a result of Invitations made in reliance on the Class Order at any time during the previous 3 year period

under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the Invitation.

Transfer restrictions

A Performance Right granted under the Plan is only transferable, assignable or able to be otherwise disposed or encumbered in special circumstances with the consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy. Where the Participant purports to transfer, assign, mortgage, charge or otherwise dispose or encumber a Performance Right, other than in accordance with the Plan, the Performance Right immediately lapses.

Vesting

Subject to the paragraph "Lapse of Performance Rights" below, a Performance Right granted under the Plan will not vest and be exercisable unless the vesting conditions (if any) have been satisfied and the Board has notified the Eligible Participant of that fact.

The Board may, in its absolute discretion, by written notice to a participant, resolve to waive any of the vesting conditions applying to the Performance Rights due to:

- (a) an Eligible Participant or, where the participant is a nominee of an Eligible Participant, that Eligible Participant, ceasing to be an Eligible Participant as a result of death, total or permanent disability, retirement or redundancy; or
- (b) an Eligible Participant or, where the participant is a nominee of an Eligible Participant, that Eligible Participant, suffering severe financial hardship;
- (c) any other circumstance stated in the terms of the relevant Invitation made to and accepted by the participant; or
- (d) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

Upon the occurrence of a change of control event occurring, the vesting conditions (if any) applying to the Performance Rights are deemed to automatically be waived.

In the event vesting conditions are waived in respect of Performance Rights, a participant (or their personal legal representative where applicable) may exercise any vested Performance Right at any time within one month of the Board notifies that the Performance Right has vested, failing which the Performance Right will lapse.

Issue of Shares

Subject to the Corporations Act, the Listing Rules and the Plan, the Company must issue to the participant or his or her personal representative (as the case may be) the number of Shares the participant is entitled to be issued in respect of vested Performance Rights that are exercised, within 10 business days of the Performance Rights being exercised (unless delayed due to a blackout period or the application of insider trading or takeover provisions).

All Shares issued under the Plan will rank equally in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.

Sale restrictions on Shares

The Board may, in its discretion, determine at any time up until exercise of Performance Rights, that a restriction period will apply to some or all of the Shares issued to a participant on exercise of those Performance Rights, in which case the participant must not dispose of or otherwise deal with those Shares while they are subject to the restriction period. In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such restriction period determined.

Quotation

If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within the later of 10 Business Days after the date the Shares are issued; and the date any restriction period that applies to the Shares ends.

The Company will not apply for quotation of any Performance Rights on the ASX.

Lapse of Performance Rights

A Performance Right will lapse upon the earlier to occur of:

- (a) an unauthorised dealing in, or hedging of, the Performance Right occurring, as governed by the Plan;
- (b) a vesting condition in relation to the Performance Right is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Performance Right in accordance with the Plan;
- (c) in respect of unvested Performance Rights only, an Eligible Participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right or allow the Performance Right to remain unvested in accordance with the Plan;
- (d) in respect of vested Performance Rights only, an Eligible Participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant and the Performance Right is not exercised within the time limit specified in the Plan;
- (e) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/ Eligible Participant in accordance with the Plan;
- (f) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right in accordance with the Plan; and
- (g) the Expiry Date of the Performance Right.

Exchange due to change of control

If a company (**Acquiring Company**) obtains control of the Company as a result of a change of control (as defined by the Plan) and both the Company and the Acquiring Company agree, an Eligible Participant may, in respect of any vested Performance Rights that are exercised, be provided with shares of the Acquiring Company, or its parent, in lieu of Shares, on substantially the

same terms and subject to substantially the same conditions as the Shares, but with appropriate adjustments to the number and kind of shares subject to the Performance Rights.

Participation Rights

There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.

Adjustment for reorganisation

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.

Notice of adjustments

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.

Trust

The Board may, at any time, establish a trust for the sole purpose of acquiring and holding Shares in respect of which a Participant may exercise, or has exercised, vested Performance Rights, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust. The trustee will hold the Shares as trustee for and on behalf of a participant as beneficial owner upon the terms of the trust. The Board may at any time amend all or any of the provisions of the Plan to effect the establishment of such a trust and the appointment of such a trustee.

Amendments

Subject to express restrictions set out in the Plan and compliance with the Corporations Act, Listing Rules and any other applicable law, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, or the terms or conditions of any Performance Right granted under the Plan including giving any amendment retrospective effect.



Lycopodium Limited

ABN: 83 098 556 159

Need assistance?



Phone:

1300 764 130 (within Australia)
+61 (3) 9415 4267 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00 AM (AWST)** on **Tuesday, 17 November 2020**.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend 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 write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

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Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 184607

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Lycopodium Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Lycopodium Limited to be held at Fraser Suites Perth, 10 Adelaide Terrace, East Perth, WA 6000 on Thursday, 19 November 2020 at 10:00 AM (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 5 and 6 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 5 and 6 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 5 and 6 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	☐	☐	☐
2 Re-election of Director - Bruno Ruggiero	☐	☐	☐
3 Re-election of Director - Laurie Marshall	☐	☐	☐
4 Replacement of Constitution	☐	☐	☐
5 Issue of Performance Rights to Director - Peter De Leo	☐	☐	☐
6 Issue of Performance Rights to Director - Bruno Ruggiero	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

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Computershare

