

Notice of Extraordinary General Meeting

An Extraordinary General Meeting of MPower Group Limited ABN 73 009 485 625 will be held at Level 4, 15 Bourke Road, Mascot, New South Wales, Australia on Thursday 22 April 2021 at 10.00am.

Items of Business

1. Resolution 1 – Ratification of Share Placement Tranche 1 completed on 4 March 2021

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

“That for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 23,000,000 ordinary shares at an issue price of \$0.085 each that occurred on 4 March 2021, in the “Share Placement Tranche 1” referred to in the Explanatory Statement that accompanies the notice convening the meeting at which this resolution is proposed.”

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- a person who participated in the Share Placement Tranche 1; or
- an associate of any such person.

However, this does not apply to a vote cast in favour of the resolution 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 chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair 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.

2. Resolution 2 – Approval of Share Placement Tranche 2

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

“That for the purposes of ASX Listing Rule 7.1, and for all other purposes, approval is given for the issue of up to 35,823,530 ordinary shares at an issue price of \$0.085 each, in the “Share Placement Tranche 2” referred to in the Explanatory Statement that accompanies the notice convening the meeting at which this resolution is proposed.”

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed Share Placement Tranche 2 issue of shares (except a benefit solely by reason of being a holder of ordinary shares in the Company); or
- an associate of any such person.

However, this does not apply to a vote cast in favour of the resolution 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 chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair 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.

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3. Resolution 3 – Approval of issue of Adviser Options to JP Equity Partners

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

“That for the purposes of ASX Listing Rule 7.1, and for all other purposes, approval is given for the issue of 8,000,000 Adviser Options with an exercise price of \$0.17 and an expiry date of 27 April 2024, to JP Equity Partners (or its nominee(s)), in consideration of corporate advisory and Share Placement facilitation and management services.”

Voting Exclusion

The Company will disregard any votes cast in favour of this resolution by or on behalf of:

- a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Adviser Options (except a benefit solely by reason of being a holder of ordinary shares in the Company); or
- an associate of any such person.

However, this does not apply to a vote cast in favour of the resolution 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 chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair 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.

4. Resolution 4 – Renewal of approval for issue of ESOP Options to Managing Director

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

“That, in accordance with ASX Listing Rule 10.14, approval is given for the acquisition of up to a maximum of 2,350,000 ESOP Options by the Company’s Managing Director Nathan Wise (or, at his election, Investment Associates Pty Limited, an associate of Nathan Wise) to the extent and if the Company’s Remuneration Committee decides to issue ESOP Options to him under and in accordance with the terms of the Company’s Executive Share Option Plan.”

Voting Exclusion

The Company will disregard:

- any votes cast in favour of this resolution by or on behalf of a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Company’s Executive Share Option Plan, or an associate of any such person. However, this does not apply to a vote cast in favour of the resolution 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 chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction to the chair to vote on the resolution as the chair 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;
- any vote cast as a proxy on this resolution by a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel, unless:
 - the proxy appointment specifies the way the proxy is to vote on the resolution; or
 - the proxy is the chair of the Meeting and the proxy appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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Additional Information

This notice of meeting is accompanied by an Explanatory Statement which provides an explanation of the business of the meeting, including the proposed resolutions.

Voting entitlement

The board of directors of MPower Group Limited has determined in accordance with regulation 7.11.37 of the Corporations Regulations that for the purpose of voting at the meeting, shares will be taken to be held by those who hold them at 10.00am (Sydney time) on Tuesday 20 April 2021. This means that if you are not the registered holder of a relevant share at the time, you will not be entitled to vote in respect of that share.

Voting by proxy

Each shareholder who is entitled to attend and vote at the meeting may appoint a proxy to attend and vote on behalf of that shareholder. The proxy need not be a shareholder. Please note that a proxyholder cannot vote on a show of hands but can speak at the meeting and can vote on a poll.

A shareholder who is entitled to cast two or more votes may appoint one or two proxies and may specify the proportion or number of votes that each proxy is appointed to exercise. If a shareholder appoints two proxies and the appointment does not specify the proportion, or number, of shareholder's votes, each proxy may exercise half the votes (disregarding fractions). Neither proxy may vote on a show of hands.

In the event that a shareholder appoints a proxy and specifies the way the proxy is to vote on a particular resolution:

- (a) where the proxy is not the chair:
 - (i) the proxy need not vote on a poll but if the proxy does so then the proxy must vote the way that the shareholder specifies; and
 - (ii) if a poll is demanded and the proxy does not attend or vote, then the chair is taken to have been appointed as the proxy; and
- (b) where the chair is the proxy (including where the chair is taken to have been appointed the proxy as set out above) the proxy must vote on a poll and must vote the way that the shareholder specifies.

A proxy appointment form is enclosed with this Notice. For the appointment of a proxy to be effective for the meeting, the following documents must be received by no later than 48 hours before the start of the meeting at 10.00am (Sydney time) on Thursday 22 April 2021:

- (a) the proxy's appointment; and
- (b) if the appointment is signed by the appointer's attorney – the authority under which the appointment was signed or a certified copy of the authority.

Impact of your proxy appointment on your voting instructions

If you appoint the chair of the meeting as your proxy and have not directed him how to vote, you are authorising the chair of the meeting to cast your undirected vote on all proposed resolutions in accordance with his intentions set out below.

The chair's voting intentions

The chair of the meeting intends to vote undirected proxies on, and in favour of, all the proposed resolutions. If there is a change to how the chair of the meeting intends to vote undirected proxies, the Company will make an announcement to the ASX.

The chair's decision on the validity of a direct vote, vote cast by a proxy or vote cast in person, is conclusive.

Proxies may be lodged:

By mail MPower Group Limited
Level 4
15 Bourke Road
Mascot NSW 2020
Australia

By email proxy@mpower.com.au

In person MPower Group Limited,
Level 4
15 Bourke Road
Mascot NSW 2020
Australia

Please allow sufficient time for your form to be received by 10.00am (Sydney time) on Tuesday 20 April 2021.

Corporate representatives

A body corporate may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at meetings of shareholders. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on the body corporate's behalf, all of the powers that the body corporate could exercise at a meeting or in voting on a resolution. A copy of the properly signed appointment document must be produced prior to admission to the meeting.

By order of the board of directors
of MPower Group Limited



Neil Langridge
Company Secretary
17 March 2021

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Explanatory Statement

The following notes explain the items of business to be dealt with at the MPower Group Limited Extraordinary General Meeting to be held on Thursday 22 April 2021. The notes are set out in the order of the items in the Notice of Meeting and should be read with the Notice.

1. Resolution 1 – Ratification of Share Placement Tranche 1 completed on 4 March 2021

(a) Background

As announced to ASX on 26 February 2021, the Company has obtained binding commitments from sophisticated and institutional investors to subscribe \$5 million to the Company in additional share capital (**Share Placement**).

Funds raised from the Share Placement will be used to fund the Company's Build Own Operate strategy, acquire and develop renewable energy development projects and for working capital requirements and the expenses of the Share Placement. Further information about the Company's strategy can be found in the Company's announcements to ASX (available on the ASX website www.asx.com.au under the code "MPR").

The Company completed the first tranche of the Share Placement on 4 March 2021 by issuing 23,000,000 Shares (**Tranche 1 Placement Shares**) at \$0.085 per Share, raising \$1,955,000 (before costs) (**Share Placement Tranche 1**).

The Shares issued in the Share Placement Tranche 1 fell within the Company's 15% placement capacity under ASX Listing Rule 7.1. The Company is now seeking Shareholder ratification of the issue of these Shares by the passing of Resolution 1.

The Company is also seeking a separate Shareholder approval under Resolution 2, to complete the Share Placement by issuing additional Shares to raise the balance of the \$5 million that the Share Placement subscribers have committed to invest (**Share Placement Tranche 2**). The Share Placement Tranche 2 is dealt with in section 2 below.

(b) ASX Listing Rule 7.1

In broad terms, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the number of fully paid ordinary securities it had on issue at the start of that 12-month period.

The issue of the Tranche 1 Placement Shares does not come within any of the exceptions to ASX Listing Rule 7.1 and, as it has not yet been approved by Shareholders, it uses up almost all of the 15% limit in ASX Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under that rule for the 12-month period following the date of issue of the Tranche 1 Placement Shares.

(c) Listing Rule 7.4

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

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1. Accordingly, the Company is seeking ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

(d) Additional information required by ASX Listing Rule 14.1A

If Resolution 1 is passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit under ASX Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

If Resolution 1 is not passed, the Tranche 1 Placement Shares will be included in calculating the Company's 15% limit under ASX Listing Rule 7.1, reducing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Tranche 1 Placement Shares.

(e) Additional information required by ASX Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (i) The Tranche 1 Placement Shares were issued to sophisticated and institutional investors who are clients or contacts of JP Equity Partners (**Share Placement Investors**). The Share Placement Investors were identified through a bookbuild process, which involved JP Equity Partners seeking expressions of interest to participate in the capital raising from non-related parties of the Company. None of the Share Placement Investors are related parties of the Company.
- (ii) 23,000,000 Shares were issued in the Share Placement Tranche 1 (ratification of which is sought under Resolution 1).
- (iii) The Tranche 1 Placement Shares are all fully paid ordinary shares in the capital of the Company issued with the same rights and subject to the same terms as the Company's existing shares.
- (iv) The Tranche 1 Placement Shares were issued on 4 March 2021.
- (v) The issue price was \$0.085 per Share. The Company has not and will not receive any other consideration for the issue of the Tranche 1 Placement Shares.
- (vi) The purpose of the issue of the Tranche 1 Placement Shares was to raise \$1,955,000, which will be used to fund the Company's Build Own Operate strategy, acquire, and develop renewable energy development projects and for working capital requirements and the expenses of the Share Placement.

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- (vii) The Tranche 1 Placement Shares were issued to each Share Placement Investor under a simple subscription agreement, the material terms of which were that the Company would issue to the subscriber a certain number of Shares in return for the payment of \$0.085 per Share.
- (viii) A voting exclusion statement is included under Resolution 1 in the Notice.

The Board unanimously recommends that you vote in favour of Resolution 1.

2. Resolution 2 - Approval of Share Placement Tranche 2

(a) Background

Resolution 2 seeks Shareholder approval for the second and final part of the \$5 million capital raising announced to ASX by the Company on 26 February 2021 (**Share Placement Tranche 2**).

In Share Placement Tranche 2, the Company proposes to issue up to 35,823,530 additional Shares (**Tranche 2 Placement Shares**) to sophisticated and professional investors at \$0.085 per Share, to raise up to a further \$3,045,000 (before costs).

(b) ASX Listing Rule 7.1

As summarised in section 1(b) above, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period, to 15% of the number of fully paid ordinary securities it had on issue at the start of that 12-month period.

The proposed issue of the Tranche 2 Placement Shares does not come within any exception and would exceed the 15% limit in ASX Listing Rule 7.1. It therefore requires the approval of Shareholders under ASX Listing Rule 7.1.

The effect of Resolution 2 will be to allow the Company to issue the Tranche 2 Placement Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX) without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

(c) Additional information required by ASX Listing Rule 14.1A

If Resolution 2 is passed, the Company will be able to proceed with the Share Placement Tranche 2. In addition, the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities the Company can subsequently issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the Share Placement Tranche 2. In that case, it is likely that the Company would make another issue of shares at a later time, to raise the additional capital it requires for the funding of its Build Own Operate strategy.

(d) Additional information required by ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 2:

- (i) The Tranche 2 Placement Shares will be issued to professional and sophisticated investors who are clients or contacts of JP Equity Partners. The recipients were identified through a bookbuild process, which involved JP Equity Partners seeking expressions of interest to participate in the Share Placement from non-related parties of the Company. None of the recipients are related parties of the Company.
- (ii) The maximum number of Shares to be issued in the Share Placement Tranche 2 is 35,823,530.
- (iii) The Tranche 2 Placement Shares will all be fully paid ordinary shares in the capital of the Company issued with the same rights and subject to the same terms as the Company's existing shares.
- (iv) The Tranche 2 Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules).
- (v) The issue price for the Tranche 2 Placement Shares will be \$0.085 per Share. The Company will not receive any other consideration for the issue of the Tranche 2 Placement Shares.
- (vi) The purpose of the issue of the Tranche 2 Placement Shares is to raise up to \$3,045,000, which will be used to fund the Company's Build Own Operate strategy, acquire, and develop renewable energy development projects and for working capital requirements and the expenses of the Share Placement.
- (vii) The Tranche 2 Placement Shares will be issued to each subscriber under a simple subscription agreement, the material terms of which are that, subject to Shareholder approval, the Company will issue to the subscriber a certain number of Tranche 2 Placement Shares in return for the payment of \$0.085 per Share.
- (viii) A voting exclusion statement is included under Resolution 2 in the Notice.

The Board unanimously recommends that you vote in favour of resolution 2.

3. Resolution 3 - Approval of issue of Adviser Options to JP Equity Partners

(a) Background

Resolution 3 seeks Shareholder approval for the issue of 8,000,000 Adviser Options to JP Equity Partners (or its nominee(s)) in part consideration for JP Equity Partners acting as a facilitator and manager of the Share Placement and providing capital raising advisory services to the Company.

Pursuant to an agreement between the Company and JP Equity Partners dated 22 February 2021 (**Adviser Engagement Agreement**), the Company engaged JP Equity Partners to facilitate, and lead manage a capital raising of up to \$5 million. JP Equity Partners undertook to secure the entire amount on a best endeavors' basis. The Company agreed to pay JP Equity Partners fees for its services comprising 6% of the amount raised by JP Equity Partners and 8,000,000 Adviser Options.

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The entitlement to the Adviser Options is subject to JP Equity Partners successfully raising \$5 million for the Company pursuant to the engagement, which will occur if the Tranche 2 Placement Shares are issued. It is also subject to Shareholder approval, which is being sought under Resolution 3.

Each Adviser Option will entitle the holder to subscribe for one Share at an exercise price of \$0.17, at any time within the period of 3 years ending 27 April 2024. The exercise price of \$0.17 is double the issue price for Shares issued in the Share Placement.

The Adviser Options will not be quoted for trading on ASX. They will be non-transferable, except with the Company's consent. The full terms and conditions of the Adviser Options are set out in Schedule 1 to this Explanatory Statement.

(b) ASX Listing Rule 7.1

As summarised in section 1(b) above, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period, to 15% of the number of fully paid ordinary securities it had on issue at the start of that 12-month period.

The proposed issue of the Adviser Options does not come within any exception and would exceed the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders approval under Listing Rule 7.1.

The effect of Resolution 3 will be to allow the Company to issue the Adviser Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX) without using the Company's 15% placement capacity.

(c) Additional information required by ASX Listing Rule 14.1A

If Resolution 3 is passed, the Company will proceed with the issue of the Adviser Options. In addition, the Adviser Options will be excluded from the calculation of the number of equity securities the Company can subsequently issue without Shareholder approval under ASX Listing Rule 7.1.

If Resolution 3 is not passed, the Company will either not proceed with the issue of the Adviser Options and negotiate an alternative means of compensating JP Equity Partners, which might include a cash payment, or the Company may issue the Adviser Options at a future time when the Company has sufficient capacity to do so under Listing Rule 7.1.

(d) Additional information required by ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (i) The Adviser Options will be issued to JP Equity Partners or its nominee(s).
- (ii) The maximum number of Adviser Options to be issued is 8,000,000.
- (iii) The Adviser Options will be subject to the terms and conditions set out in Schedule 1 to this Explanatory Statement.

- (iv) The Adviser Options will be issued no later than 3 months after the date of the Meeting (or a later date if permitted by any ASX waiver or modification of the ASX Listing Rules).
- (v) The issue price for the Adviser Options will be nil as they are to be issued as part of the consideration for the services provided by JP Equity Partners under the Adviser Engagement Agreement.
- (vi) No funds will be raised by the issue of the Adviser Options.
- (vii) A voting exclusion statement is included under Resolution 3 in the Notice.

The Board unanimously recommends that you vote in favour of Resolution 3.

4. Resolution 4 – Renewal of approval for issue of ESOP Options to Managing Director

(a) Why shareholder approval is being sought.

ASX Listing Rule 10.14 states that a listed company must not permit a Director to acquire securities under an employee incentive scheme without the approval of shareholders by ordinary resolution.

The purpose of Resolution 4 is to have Shareholders renew the approval of a possible grant of Options under the Company's Executive Share Option Plan to the Company's Managing Director and Chief Executive Officer, Mr Nathan Wise.

(b) Background

The Company established an Executive Share Option Plan (**ESOP**) in 2004 to attract, retain and motivate executives and contractors who provide executive services (**Participants**). A summary of the ESOP is set out in Schedule 2 to this Explanatory Statement.

Under the ESOP, the number of Options that may be issued to a Participant and the performance criteria and hurdles (i.e. vesting conditions) to be met prior to the exercise of such Options is set by the Company's remuneration committee.

Subject to the satisfaction of the vesting conditions set by the remuneration committee for a particular grant of ESOP Options, each ESOP Option entitles the holder to subscribe for one Share by paying the exercise price set by the remuneration committee for that ESOP Option. ESOP Options are granted at no cost as they form part of the Participant's remuneration. ESOP Options are used as a long-term incentive for executives because they create share price alignment between the executive and Shareholders but do not provide the full benefit of Share ownership unless the executive meets the employment and performance hurdle vesting conditions set by the remuneration committee and is also prepared to invest in the Company by paying the exercise price to exercise the ESOP Option.

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All MPower Group executives are eligible to participate in the ESOP, however, because of the relationship that certain executives have with the Company, their eligibility is subject to prior Shareholder approval. On each of 11 November 2004, 13 November 2008, 28 October 2011 and 28 October 2016, Shareholders approved the participation of Nathan Wise in the ESOP and the issue of ESOP Options to him in the period of 3 years after the date of each approval. If passed, Resolution 4 will enable Nathan Wise (or his nominee, Investment Associates Pty Limited) to continue to participate in the ESOP for the further period of up to 3 years in the same way that other MPower Group executives for whom specific shareholder approval is not required may participate.

The only persons referred to in ASX Listing Rule 10.14 who currently are eligible to participate in the ESOP are the following directors (being persons referred to in ASX Listing Rule 10.14.1): Peter Wise (the Executive Chairman of the Company) and Nathan Wise (the Managing Director and Chief Executive Officer of the Company).

Since the last approval on 28 October 2016, the only person referred to in Listing Rule 10.14 who has received Options under the ESOP is Nathan Wise. The number of ESOP Options received by Nathan Wise since the approval on 28 October 2016, the acquisition price for each Option, the exercise price of each such Option and whether the Option has vested or not is as follows:

| Date of Grant | Number of Options Received | Acquisition Price (\$) | Exercise Price (\$) | Expiry Date | Vested | Unvested | Lapsed |
|---------------|----------------------------|------------------------|---------------------|-------------|----------------|----------------|----------------|
| 2-Dec-16 | 270,000 | Nil | 0.0678 | 31-May-19 | | | 270,000 |
| 2-Dec-16 | 270,000 | Nil | 0.0678 | 31-May-20 | | | 270,000 |
| 2-Dec-16 | 360,000 | Nil | 0.0678 | 31-May-21 | 360,000 | | |
| 31-Jan-18 | 180,000 | Nil | 0.0978 | 31-May-19 | | | 180,000 |
| 31-Jan-18 | 180,000 | Nil | 0.0978 | 31-May-20 | | | 180,000 |
| 31-Jan-18 | 240,000 | Nil | 0.0978 | 31-May-21 | 240,000 | | |
| 15-Oct-19 | 390,000 | Nil | 0.0300 | 31-May-21 | 390,000 | | |
| 15-Oct-19 | 390,000 | Nil | 0.0300 | 31-May-22 | | 390,000 | |
| 15-Oct-19 | 520,000 | Nil | 0.0300 | 31-May-23 | | 520,000 | |
| | 2,800,000 | | | | 990,000 | 910,000 | 900,000 |

Renewal of approval under ASX Listing Rule 10.14 is required for Nathan Wise who is a director of the Company and a number of subsidiaries of the Company and a director of Tag Private Pty Limited which holds 77,071,518 Shares.

The Company's remuneration committee determines the number of ESOP Options to be issued to Participants in the ESOP (including Nathan Wise) from time to time. The maximum number of ESOP Options that may be on issue at any time under the ESOP is 5% of the total number of Shares on issue at that time.

Under the ESOP rules, the Board has determined that the current limit on the number of ESOP Options that may be issued to and held by any Participant at any time, including Nathan Wise (or, at his election, Investment Associates Pty Limited), is 2,350,000 ESOP Options to acquire 2,350,000 Shares. This number of Shares represents 1.29% of the existing issued share capital of the Company (after the recent completion of Share Placement Tranche 1), or 1.03% of the fully-diluted share capital of the Company after the anticipated completion of the Share Placement Tranche 2 and assuming the Adviser Options are issued, as well as the maximum of 2,350,000 ESOP Options that may be issued to and held by Nathan Wise or his nominee under the current limit.

The limit of 2,350,000 ESOP Options per Participant excludes Options that have previously been issued to the Participant, but which have been exercised or which have lapsed without being exercised by their expiry date. As indicated in the table above, a total of 1,900,000 ESOP Options are currently held by Nathan Wise or his nominee and capable of being exercised (subject to the satisfaction of vesting conditions in the case of unvested Options). Accordingly, if Resolution 4 is passed, a maximum of 450,000 additional ESOP Options could be issued to him or his nominee at the current time, if the Company's remuneration committee so decided. If Nathan Wise exercises vested ESOP Options, more ESOP Options will be available to be granted to him under the ESOP plan up to the maximum number of 2,350,000. For example, if shareholders approve resolution 4, and Nathan Wise exercised 300,000 vested ESOP Options shortly after the Meeting, the maximum ESOP Options able to be issued to him will increase to 750,000.

The current total remuneration of Nathan Wise consists of:

| Remuneration element | Opportunity |
|---|--|
| Base remuneration (inclusive of superannuation) | \$372,600 fixed |
| Short-term incentive | \$149,040 at maximum (0% to 40% of base salary) |
| Long-term incentive | Up to 2,350,000 ESOP Options at the discretion of the Company's remuneration committee |

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The value of ESOP Options is determined by factors including the exercise price, the Company's share price from time to time and the exercise period (typically a period of up to 5 years). The value of ESOP Options is determined by the Company at the time of each grant of ESOP Options, when these factors are known, and this value is published in the directors' report and notes to the financial statements contained in the Company's annual report.

Using the Black-Scholes model, the value that the Company will attribute to ESOP Options that may be granted to Nathan Wise is illustrated in the following table, which sets out a range of indicative values based on the assumptions stated in the table.

| Assumptions* | Tranche 1 | Tranche 2 | Tranche 3 | Tranche 4 |
|--|------------------|------------------|------------------|------------------|
| Estimated Options Issued | 550,000 | 550,000 | 550,000 | 700,000 |
| Market price of Shares | \$0.08 | \$0.10 | \$0.12 | \$0.20 |
| Exercise price | \$0.09 | \$0.12 | \$0.15 | \$0.25 |
| Expiry date (length of time from issue) | 3 years | 3 years | 3 years | 3 years |
| Risk-free interest rate (5-year treasury bond) | 1.32% | 1.32% | 1.32% | 1.32% |
| Volatility | 147.82% | 147.82% | 147.82% | 147.82% |
| Indicative value | \$15,900.50 | \$22,473.00 | \$25,767.50 | \$59,395.00 |

* Actual ESOP Option terms will be determined by the Company's remuneration committee if and when it makes a grant to Mr Wise.

ESOP Options may be issued from time to time as determined by the Company's remuneration committee.

ESOP Options will be issued for nil consideration.

No loan will be made by any member of MPower Group to Nathan Wise or any associate of his in respect of the exercise of any ESOP Options that may be issued to him or his nominee.

Details of any ESOP Options issued by the Company will be published in each annual report of the Company in relation to the period in which the ESOP Options have been issued, together with a statement that approval for the issue of the ESOP Options was obtained under ASX Listing Rule 10.14.

Any additional persons to whom ASX Listing Rule 10.14 refers who become entitled to participate in the ESOP if and after Resolution 4 is approved, and who are not named in the Notice, will not participate in the ESOP until approval is obtained under ASX Listing Rule 10.14.

The date by which the Company will issue ESOP Options to Nathan Wise (or, at his election, Investment Associates Pty Limited) has not yet been determined, but if the Company's remuneration committee decides to issue ESOP Options to him the issue date will be a date that is no later than 3 years after the date of the Meeting.

If approval is given by Shareholders under ASX Listing Rule 10.14 pursuant to Resolution 4 to issue up to 2,350,000 ESOP Options to Nathan Wise, then approval is not required under ASX Listing Rule 7.1 in respect of the issue of those Options.

If Resolution 4 is not passed, the Board will consider alternative arrangements to appropriately remunerate and incentivise Nathan Wise.

A voting exclusion statement is included in the Notice in relation to Resolution 4.

The Board (with Nathan Wise abstaining) recommends that Shareholders vote in favour of Resolution 4.

Notice of Extraordinary General Meeting

Glossary

In this Explanatory Statement:

Adviser Option means an Option on the terms set out in Schedule 1 to the Explanatory Statement.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

Board means the 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.

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 dependant 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 dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 to be a Closely Related Party.

Company or **MPOWER** means MPOWER Group Limited ACN 009 485 625.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

ESOP Option means an Option issued under and subject to the Company's Executive Share Option Plan.

EST means Eastern Standard Time as observed in Sydney, New South Wales.

Explanatory Statement means the Explanatory Statement accompanying the Notice.

JP Equity Partners means JP Equity Partners Pty Ltd ACN 626 069 467 (holder of AFSL no. 512529).

Key Management Personnel has the meaning given to that term in the Corporations Act and generally includes those persons having authority or responsibility for planning, directing, or controlling the actions of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Meeting or **Extraordinary General Meeting** means the general meeting convened by the Notice.

Notice means the notice of meeting accompanying this Explanatory Statement.

Option means an option to acquire a Share.

Resolution means a resolution set out in the Notice.

Share or **Shares** means an ordinary fully paid share or shares in the capital of the Company.

Shareholder means a holder of Shares.

Notice of Extraordinary General Meeting

Schedule 1 – Terms and Conditions of Adviser Options

(a) Entitlement

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

(b) Exercise Price

Subject to paragraph (i), the amount payable upon exercise of each Adviser Option will be \$0.17 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5.00pm (EST) on 27 April 2024 (**Expiry Date**). An Adviser Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Adviser Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

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

(f) Exercise Date

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

(g) Timing of issue of Shares on exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of the Shares issued pursuant to the exercise of the Adviser Options.

(h) Shares issued on exercise

Shares issued on exercise of the Adviser Options rank equally with the existing issued Shares at that time.

(i) Reconstruction of capital

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

(j) Participation in new issues

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

(k) Change in Exercise Price

An Adviser Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Adviser Option can be exercised.

(l) Transferability

The Adviser Options will not be quoted on the ASX and are not transferable unless the Company in its absolute discretion has given its prior written consent to the transfer. Transfers may also be subject to restrictions imposed by ASX or under applicable Australian securities laws.

Notice of Extraordinary General Meeting

Schedule 2 – Summary of Executive Share Option Plan

(a) Entitlement

Each ESOP Option entitles the holder to subscribe for one Share upon exercise of the Option. The maximum number of Options that may be issued under the plan to any one participant is 2,350,000 Options.

(b) Exercise Price

The amount payable upon exercise of each Option will be determined at time of Issue (**Exercise Price**) by the Board which shall not be less than market value of the Shares at the date of issue of the Option.

(c) Expiry Date

Each Option expiry will be decided at time of issue (**Expiry Date**) but may not exceed 5 years from the date of issue of the Option.

(d) Exercise Period

Subject to any conditions set by the Board, the ESOP Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

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

(f) Lapse of Options

- (a) An Option not exercised will lapse on the first to occur of:
- (i) the expiry of the Exercise Period;
 - (ii) if the Executive to whom the Option was offered ceases to be employed by the Company;
 - (iii) in the case of unvested Options, on the Company being wound up; and
 - (iv) a determination by the Board that the Executive to whom the Option was offered has acted fraudulently or dishonestly or in breach of the Executive's obligations to the Company.
- (b) If a Participant submits a request to the Directors that an Option granted to them lapse, the Board may then determine that the Option should lapse.

(g) Timing of issue of Shares on Exercise

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of the Shares issued pursuant to the exercise of the ESOP Options.

(h) Shares issued on Exercise

Shares issued on exercise of the ESOP Option rank equally with the existing issued Shares at that time.

(i) Reconstruction of capital

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

(j) Participation in new issues

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

(k) Change in Exercise Price

An ESOP Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the ESOP Option can be exercised.

(l) Transferability

Unless the Board determines otherwise, Options may not be transferred.

Notice of Extraordinary General Meeting

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Proxy Form



MPower Group Limited
ACN 009 485 625

Level 4
15 Bourke Road
Mascot NSW 2020
Australia

Email: proxy@mpower.com.au

Appointment of Proxy

I/We _____

of _____

being a member/s of MPower Group Limited and entitled to attend and vote hereby appoint

the Chairman
of the meeting
(mark with an "X")

OR

If you are not appointing the Chairman of the meeting as your proxy please write here the full name of the individual or body corporate you are appointing as your proxy

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 Extraordinary General Meeting of MPower Group Limited to be held at Level 4, 15 Bourke Road, Mascot, New South Wales, Australia on Thursday 22 April 2021 at 10.00am and at any adjournment 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 Item 4 (except where I/we have indicated a different voting intention below) even though Item 4 is connected directly or indirectly with the remuneration of a member or members of the key management personnel for the Company and its subsidiaries.

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 Item 4 by marking the appropriate box below.

Voting directions to your proxy – please mark X to indicate your directions

| Agenda | For | Against | Abstain |
|--|--------------------------|--------------------------|--------------------------|
| 1. Ratification of Tranche 1 Share Placement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Approval of Tranche 2 Share Placement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Approval of issue of Adviser Options | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Re-approval of issue of ESOP Options to Managing Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The Chairman of the meeting intends to vote undirected proxies in favour of each of the items of business.

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

Please sign here

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact name

Contact daytime telephone

Date

How to complete this Proxy Form

Appointment of proxy

If you wish to appoint the Chairman of the meeting as your proxy, mark the first box with an "X". If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the meeting, please write the full name of that individual or body corporate in the second box. If you leave the section blank, or your named proxy does not attend the meeting, the Chairman of the meeting will be your proxy. A proxy need not be a shareholder of the Company.

Votes on items of business

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

Appointment of a second proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional proxy form may be obtained by telephoning the Company or you may copy this form.

To appoint a second proxy you must on each of the first proxy form and the second proxy form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded. Both forms must be returned together in the same envelope.

Signing instructions

You must sign this form as follows in the spaces provided:

Individual:

Where the holding is in one name, the holder must sign.

Joint holding:

Where the holding is in more than one name, all of the shareholders should sign.

Power of attorney:

To sign under power of attorney, you must have already lodged this document with the Company. If you have not previously lodged this document for notation, 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 indicate the office held by signing in the appropriate place.

If a representative of the corporate shareholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry at www.investorcentre.com under the tab "Need a printable form?".

Lodgement

This proxy form (and any power of attorney under which it is signed) must be received at an address given below by 10.00am (Sydney time) on Tuesday 20 April 2021. Any proxy form received after that time will not be valid for the scheduled meeting.

Documents may be lodged:

In person MPower Group Limited
Level 4
15 Bourke Road
Mascot NSW 2020
Australia

By mail MPower Group Limited
Level 4
15 Bourke Road
Mascot NSW 2020
Australia

By email proxy@mpower.com.au
