

TZ LIMITED
ACN 073 979 272

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY MEMORANDUM

*For a meeting to be held on 29 November 2019 at 10.00 am
at The Radisson Blu Plaza Hotel, Press Room, Lower Ground Floor, 27 O'Connell Street,
Sydney, New South Wales*

**THIS IS AN IMPORTANT DOCUMENT AND SHOULD
BE READ IN ITS ENTIRETY**

**If you do not understand any part of this document
please contact a professional adviser immediately**

TZ LIMITED
ACN 073 979 272

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that an Annual General Meeting of members of TZ Limited (“**Company**”) will be held at The Radisson Blu Plaza Hotel, Press Room, Lower Ground Floor, 27 O’Connell Street, Sydney, New South Wales at 10.00 am (Sydney time) on 29 November 2019.

The business to be considered at the Annual General Meeting is set out below. Information on the proposals to which the business relates is set out in the Explanatory Memorandum which accompanies this Notice. This Notice should be read in conjunction with the accompanying Explanatory Memorandum.

ORDINARY BUSINESS

Financial statements and reports

To receive and consider the financial report, directors’ report and auditor’s report for the financial year ended 30 June 2019.

Short explanation: This item of business is for discussion at the Annual General Meeting and is not a resolution.

Resignation of Graham Lenzner as director

Graham Lenzner will be retiring from the Board at the conclusion of this year’s Annual General Meeting, and will not be seeking re-election.

The Board would like to express their sincere gratitude for the exceptional service of Graham Lenzner as director and wish him well for his future endeavours.

Short explanation: This item of business is for noting at the Annual General Meeting and is not a resolution.

Resolution 1 – Adoption of the Remuneration Report

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

"That the remuneration report for the financial year ended 30 June 2019 be adopted."

Short explanation: The remuneration report is set out in the Company’s annual report for the financial year ended 30 June 2019. Section 250R(2) of the Corporations Act provides that at a listed company’s annual general meeting, a resolution that the remuneration report be adopted must be put to the vote. However, shareholders should be aware that the vote on the resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion: In accordance with the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any 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 member,

however, a person described above may cast a vote on Resolution 1 if:

- the person does so as a proxy appointed in writing that specifies how the proxy is to vote on the resolution; and
- the vote is not cast on behalf of a person described in paragraphs (a) or (b).

Resolution 2 – Re-election of Peter Graham as director

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

“That Peter Graham, who was appointed as a director of the Company since the last annual general meeting of the Company and, being eligible, offers himself for re-election, be re-elected as a director of the Company.”

Resolution 3 – Appointment of PKF Brisbane Audit as Company Auditor

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

“That, subject to the Australian Securities and Investments Commission consenting to the resignation of Grant Thornton Audit Pty Limited as auditor of the Company, pursuant to and in accordance with section 327B of the Corporations Act 2001 and for all other purposes, PKF Brisbane Audit, being qualified to act as the Company's auditor and having consented to act as the Company's auditor, is appointed as the Company's auditor on the terms and conditions in the Explanatory Memorandum which accompanies the notice of meeting convening the meeting at which this resolution is proposed.”

Resolution 4 – Approval of 10% Placement Facility

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

“That, pursuant to and in accordance with Listing Rule 7.1A of the ASX Listing Rules and for all other purposes, the shareholders of the Company approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum which accompanies the notice of meeting convening the meeting at which this resolution is proposed.”

Voting Exclusion: The Company will disregard any votes cast in favour of this resolution by a person (and any associates of such a person) who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares).

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

ADDITIONAL INFORMATION

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

Voting entitlement

The board of directors of TZ Limited has determined in accordance with regulation 7.11.37 of the Corporations Regulations 2001 that for the purpose of voting at the Annual General Meeting, shares will be taken to be held by those who hold them at 7.00 pm (Sydney time) on Wednesday, 27 November 2019. 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 Annual General 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:

- where the proxy is not the Chairman:
 - (a) 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
 - (b) if a poll is demanded and the proxy does not attend or vote, then the Chairman is taken to have been appointed as the proxy; and
- where the Chairman is the proxy (including where the Chairman 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.

Impact of your proxy appointment on your voting instructions

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

If you appoint any other Director or other member of the Key Management Personnel or their Closely Related Parties as your proxy, they will not be able to vote your proxy on Resolution 1 (Remuneration report), unless you have directed them how to vote.

If you intend to appoint a member of the Key Management Personnel or the Chairman of the Meeting as your proxy, you are encouraged to direct them how to vote on Resolution 1 by marking "For", "Against" or "Abstain" for that item of business.

The Chairman's voting intentions

The Chairman 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 Chairman of the Meeting intends to vote undirected proxies, the Company will make an announcement to the ASX.

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

Online proxy appointment

You may appoint and direct your proxy online, by using your smartphone or by visiting www.investorvote.com.au.

To use this option, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the www.investorvote.com.au website. To use your smartphone voting service, scan the QR code which appears on your proxy form and follow the instructions provided. To scan the code, you need to have already downloaded a free QR code reader app to your smartphone. When scanned, the QR code will take you directly to the mobile voting site. A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority. The online proxy facility may not be suitable for shareholders who wish to appoint two proxies with different voting directions. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

Custodians and other intermediaries may appoint and direct their proxy online by visiting www.intermediaryonline.com (subscribers only).

Proxy Appointment by post or fax

A proxy can also be appointed by using the proxy form enclosed with this notice of meeting. Information on how to complete the proxy form is included on the form.

For the appointment of a proxy using a proxy form, the following documents must be lodged:

- (a) the completed proxy form; and

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

Lodgement of proxy appointments

For the appointment of a proxy to be effective for the meeting, the Company must receive an online proxy appointment through the website noted above or a duly completed proxy form (and if signed by an attorney, the attorney's authority or a certified copy), in either case by **10.00 am on Wednesday, 27 November 2019**.

Proxy forms may be posted or faxed to the Company's share registry at:

Computershare Investor Services Pty Limited

GPO Box 242

Melbourne VIC 3001

Australia

Facsimile: 1800 783 447 (within Australia)

+61 3 9473 2555 (outside Australia)

If posting, please allow sufficient time for your form to be received by 10.00 am on 27 November 2019.

Corporate representatives

A corporate shareholder wishing to appoint a person to act as its representative at the Meeting may do so by providing that person with:

- a properly executed letter, certificate, form, or other document, such as an "Appointment of Corporate Representative" confirming that they are authorised to act as the corporate shareholder's representative. A form may be obtained from www.investorcentre.com under the tab "Need a printable form?"; or
- a copy of the resolution appointing the representative, certified by a director or secretary of the corporate shareholder.

A copy of the signed document must be produced prior to admission to the Meeting.

By order of the board of directors
of TZ Limited



Craig Sowden
Company Secretary
17 October 2019

TZ Limited
ACN 073 979 272
Annual General Meeting
Explanatory Memorandum

Important information

This Explanatory Memorandum has been prepared for the information of the shareholders of TZ Limited (the "**Company**") in connection with the business to be conducted at the Annual General Meeting of the Company to be held at 10.00 am (Sydney time) on 29 November 2019, at The Radisson Blu Plaza Hotel, Press Room, Lower Ground Floor, 27 O'Connell Street, Sydney, New South Wales.

The purpose of this Explanatory Memorandum is to provide information that the Directors believe to be material to shareholders in deciding whether or not to pass the resolutions set out in the Notice. Amongst other things, this Explanatory Memorandum provides members with the information to be provided under the Corporations Act and the Listing Rules.

You should read this document carefully.

This Explanatory Memorandum and the accompanying Notice are important. You should read each document in its entirety before deciding how to vote on the resolutions at the Meeting. If you are in doubt as to what you should do, you should consult your financial, legal or other professional adviser.

No investment advice

This Explanatory Memorandum does not constitute financial product advice and it does not purport to contain all the information that a prospective investor may require in evaluating a possible investment in the Company. This Explanatory Memorandum has been prepared without taking account of any person's particular investment objectives, financial situation or needs.

Role of ASX

Copies of this Explanatory Memorandum and the Notice have been lodged with ASX for the purposes of Listing Rule 15.1. Neither ASX nor any of its officers take any responsibility for the contents of this Explanatory Memorandum and the Notice.

Glossary

Unless otherwise defined in this document, capitalised terms have the meaning set out in the Glossary at the end of this Explanatory Memorandum.

Financial Statements and Reports

The Corporations Act requires the financial report (which includes the Financial Statements and Directors' Declaration), the Directors' Report and Auditor's Report to be laid before the Annual General Meeting. There is no requirement either in the Corporations Act or the Company's Constitution for shareholders to approve the Financial Report, the Directors' Report

or the Auditor's Report. Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports.

While no resolution is required in relation to this item, the auditor of the Company or their representative will be available to receive questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

Resolution 1 - Remuneration report

The annual report for the financial year ended 30 June 2019 contains a remuneration report which sets out the remuneration policies applicable to the Company and reports the remuneration arrangements that were in place for the Company's Directors and senior executives for the financial year ended 30 June 2019.

A reasonable opportunity will be provided for discussion of the remuneration report at the meeting before shareholders are asked to vote on Resolution 1, to adopt the remuneration report.

The vote on the resolution is advisory only and does not bind the Directors or the Company. However, your Directors will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

Under the provisions of the Corporations Act known generally as the "two strikes rule", shareholders should note that if 25% or more of the votes that are cast are voted against the adoption of the remuneration report at two consecutive Annual General Meetings, shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "**spill resolution**") that another meeting be held within 90 days at which all of the Company's Directors (other than any managing director who may continue to hold office indefinitely without re-election under the ASX Listing Rules) must stand for re-election. Shareholders should be aware that at the Company's 2018 annual general meeting, less than 25% of the votes that were cast voted against the adoption of the 2018 remuneration report and accordingly no spill resolution can result at this Annual General Meeting.

Noting that each Director has a personal interest in his own remuneration from the Company, the Board unanimously recommends to Shareholders that they vote in favour of Resolution 1.

The Chairman intends to vote any proxies held by him in favour of Resolution 1 (unless the appointer directs him otherwise).

Resolution 2 – Re-election of Peter Graham as Director

Mr Peter Graham was appointed as an additional Director of the Company on 1 October 2019 by the Directors of the Company. Under the constitution of the Company, Mr Graham is required to retire from office at the next annual general meeting following his appointment, however he is eligible for re-election and may by resolution of the Company be re-elected to that office.

Accordingly, at the Meeting, Mr Graham will retire from office, however being eligible for re-election, offers himself for re-election as a Director.

Peter Graham is an experienced corporate adviser with a unique financial background. From chartered accounting with Ernst and Young early in his career, through Treasury roles with Westpac and UBS, and roles in corporate finance and equities particularly in the gold and base metal resources sector, Peter built a successful finance career before branching into corporate advisory in 1995. As a corporate adviser for over 20 years, Peter developed an extensive institutional client base for Tolhurst and Pattersons before joining Sequoia in 2015. Today, Peter is the Head of Delcor Corporate Advisory. Delcor is a multi-family office. Peter brings significant finance and capital market experience to the Board.

The continuing Directors unanimously support the re-election of Mr Peter Graham as a Director of the Company.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 2.

Resolution 3 – Appointment of PKF Brisbane Audit as Company Auditor

As a cost saving measure, the Company performed a market review of audit firms taking industry expertise and proposed fee structures into account. As a result, the Company has decided to change its audit firm.

Grant Thornton Audit Pty Limited ("**Grant Thornton**") has, by notice in writing to ASIC, applied for consent to resign as the Company's auditor with effect from the later of the conclusion of this Annual General Meeting and ASIC consenting to Grant Thornton resigning as the Company's auditor, under section 329(5) of the Corporations Act. The Board thanks Grant Thornton for its services provided as auditor of the Company.

The Company has nominated PKF Brisbane Audit ("**PKF**") to be appointed as auditor on Grant Thornton's resignation. PKF's selection and nomination for appointment was overseen by the Company's Audit & Risk Committee and approved by the Board.

Having:

- (a) received PKF's consent to act which has not been withdrawn; and
- (b) received written notice from Mr Mark Houston in his capacity as a member of the Company, nominating PKF for appointment as auditor (in accordance with section 328B of the Corporations Act, a copy of which is annexed to this notice of meeting as Attachment 1),

PKF now stands for appointment as auditor of the Company in accordance with section 327B(1)(b) of the Corporations Act.

If Resolution 3 is passed, the appointment of PKF as the Company's auditor will take effect at the later of the close of this Annual General Meeting and the date on which ASIC consents to Grant Thornton resigning as the Company's auditor.

The Board recommends that shareholders vote in favour of this resolution.

The Chairman intends to vote any undirected proxies held by him in favour of Resolution 3.

Resolution 4 – Approval of 10% Placement Facility

1. General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued share capital through placements over a 12 month period after the annual general meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 2(c) below).

2. Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, namely Shares.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of fully paid shares on issue 12 months before the date of issue or date of agreement to issue:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 or 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

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

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 70,558,162 Shares and therefore has a capacity to issue 7,055,816 Equity Securities under Listing Rule 7.1A. At the date of this Notice, the Company has capacity to issue 10,583,724 Equity Securities under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 2(c) above).

(e) Minimum Issue Price

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

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

("10% Placement Period").

3. Listing Rule 7.1A

The effect of Resolution 4 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

4. Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities in any existing quoted class of the Company's Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities in that class over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Unlisted Options, only if the Unlisted Options are exercised). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares (which is assumed to be 12 cents, being the closing Share price on 14 October 2019) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		6.0 cents 50% decrease in Issue Price	12 cents Issue Price	24 cents 100% increase in Issue Price
Current Variable A 70,558,162 Shares	10% Voting Dilution	7,055,816 Shares	7,055,816 Shares	7,055,816 Shares
	Funds raised	\$423,348	\$846,697	\$1,693,395
50% increase in current Variable A 105,837,243 Shares	10% Voting Dilution	10,583,724 Shares	10,583,724 Shares	10,583,724 Shares
	Funds raised	\$635,023	\$1,270,046	\$2,540,093
100% increase in current Variable A 141,116,324 Shares	10% Voting Dilution	14,111,632 Shares	14,111,632 Shares	14,111,632 Shares
	Funds raised	\$846,697	\$1,693,395	\$3,386,791

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.

- (ii) No Unlisted Options are exercised into Shares before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The issue price is 12.0 cents, being the closing price of the Shares on ASX on 14 October 2019.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) to raise additional cash likely to be needed from time to time in order to obtain and fulfil new contracts of supply to the Company's customers. The fulfilment of each contract requires expenditure by the Company on associated costs including manufacturing costs, in addition to normal operating expenses;
 - (ii) to raise cash for other purposes such as the acquisition of new assets or investments (including expenses associated with such an acquisition), the continued development and enhancement of the Company's technology and/or general working capital; or
 - (iii) as non-cash consideration for the acquisition of new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;

- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

The allottees under the 10% Placement Facility may be limited to sophisticated and professional investors, to avoid the additional costs associated with regulatory compliance for an issue to retail investors.

Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (e) The Company has obtained Shareholder approval under Listing Rule 7.1A previously, including at its 2018 annual general meeting held on 20 November 2018.

Since 29 November 2018 (that is, in the 12 months preceding the date of the Meeting) a total of 2,901,000 Equity Securities have been issued by the Company (being 2,901,000 Unlisted Options). This represents 4.05% of the total number of Equity Securities on issue on 29 November 2018 (that is, at the commencement of the 12 months preceding the date of the Meeting), which was 71,558,162 Equity Securities (being 70,558,162 Shares and 1,000,000 Unlisted Options). 500,000 Unlisted Options expired on 30 June 2019.

Details of the 2,901,000 Equity Securities issued by the Company since 29 November 2018 are set out immediately below.

- (i) 2,901,000 Unlisted Options were issued on 6 August 2019. Each Unlisted Option entitled the holder to subscribe for 1 Share, and had the following respective expiry dates and exercise prices:
 - (A) 967,000 Unlisted Options with an exercise price of \$0.25 and an expiry date of 31 August 2024.
 - (B) 967,000 Unlisted Options with an exercise price of \$0.40 and an expiry date of 31 August 2025.
 - (C) 967,000 Unlisted Options with an exercise price of \$0.45 and an expiry date of 31 August 2026.

The 2,901,000 Unlisted Options were issued to the Company's directors and senior managers in accordance with the Company's Employee Incentive Scheme approved by the Company's shareholders at the Company's annual general meeting held on 20 November 2018. The 2,901,000 Unlisted Options were issued for free and therefore no cash or non-cash consideration was raised from the issue of the Unlisted Options.

- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

5. Board Recommendation

The Directors consider that the approval of the issue of the 10% Placement Facility described above is beneficial for the Company as it provides the Company with the flexibility to issue up to the maximum number of securities permitted under Listing Rule 7.1A in the next 12 months (without further shareholder approval), should it be required. At the date of the Notice, the Company has no plans to use the 10% Placement Facility should it be approved. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

GLOSSARY

In this Explanatory Memorandum:

10% Placement Facility has the meaning given in section 1 of the Explanatory Memorandum dealing with Resolution 4.

10% Placement Period has the meaning given in section 2(f) of the Explanatory Memorandum dealing with Resolution 4.

ASIC means the Australian Securities and Investments Commission.

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.

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 **TZL** means TZ Limited ACN 073 979 272.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means the Explanatory Memorandum accompanying the Notice.

Group means the Company and its Related Bodies Corporate from time to time.

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.

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

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

Notice means the notice of meeting accompanying this Explanatory Memorandum.

Option means an option to acquire a Share.

Related Body Corporate has the meaning given in section 9 of the Corporations Act.

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.

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

Unlisted Options means the 3,401,000 Options on issue as at the date of this Notice which are not quoted on the ASX.

2019 NOTICE OF ANNUAL GENERAL MEETING

ATTACHMENT 1

Notice of Nomination of Auditor
TZ Limited
ABN 26 073 979 272

TZ Limited
Level 11
1 Chifley Square
SYDNEY NSW 2000
Attention: Company Secretary
By email: c.sowden@tz.net

Nomination of auditors

I, Mark Houston, being a member of TZ Limited ("TZ"), hereby nominate PKF Brisbane Audit, pursuant to section 328B of the Corporations Act 2001, for appointment as TZ's auditor at the annual general meeting to be held on 29 November 2019 (or any adjournment of that meeting).

Signed:



Mark Houston

15/10/19

Date



TZ LIMITED
ACN 073 979 272



TZL
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (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 (AEDT) on Wednesday, 27 November 2019.**

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.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

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

Lodge your Proxy Form:

XX

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: 999999
SRN/HIN: 1999999999
PIN: 99999

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.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

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.



I 9999999999

I N D

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of TZ 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 TZ Limited to be held at The Radisson Blu Plaza Hotel, Press Room, Lower Ground Floor, 27 O'Connell Street, Sydney, New South Wales at 10.00 am (Sydney time) on 29 November 2019 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 Item 1 (except where I/we have indicated a different voting intention in step 2) even though Item 1 is 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 Item 1 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 the Remuneration Report	☐	☐	☐
2 Re-election of Peter Graham as director	☐	☐	☐
3 Appointment of PKF Brisbane Audit as Company Auditor	☐	☐	☐
4 Approval of 10% Placement Facility	☐	☐	☐

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

