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**ALTECH CHEMICALS LIMITED**  
**ACN 125 301 206**  
**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 4:00pm (WST)  
**DATE:** 27 November 2020  
**PLACE:** Altech Chemicals Limited  
Suite 8  
295 Rokeby Road  
SUBIACO WA 6008

In light of the status of the ongoing COVID-19 pandemic and the restrictions for public gatherings in place at the time of this Notice and the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, the Company will take steps to ensure that the meeting will conform to COVID-19 protocols.

If the Government restrictions and corresponding decision of the Directors changes prior to the Meeting, the Directors will update Shareholders via e-mail and by releasing an announcement on the ASX market announcements platform.

**Shareholders are urged to vote by lodging the Proxy Form attached to this Notice**

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

*Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary, Shane Volk, on +61 8 6168 1555.*

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## IMPORTANT INFORMATION

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### TIME AND PLACE OF MEETING

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Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 4.00pm (WST) on Friday 27 November 2020 at:

Suite 8  
295 Rokeby Road  
SUBIACO WA 6008.

**In light of the status of the ongoing COVID-19 pandemic and the restrictions for public gatherings in place at the time of this Notice and the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, the Company will take steps to ensure that the meeting will conform to COVID-19 protocols.**

**If the Government restrictions and corresponding decision of the Directors changes prior to the Meeting, the Directors will update Shareholders via e-mail and by releasing an announcement on the ASX market announcements platform.**

### YOUR VOTE IS IMPORTANT

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

### VOTING ELIGIBILITY

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The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 5:00pm (WST) on 25 November 2020.

### VOTING IN PERSON

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To vote in person, Shareholders are able to attend the Annual General Meeting at the time, date and place set out above.

## VOTING BY PROXY

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

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

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

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

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

Further details on these changes is set out below.

### ***Proxy vote if appointment specifies way to vote***

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

### ***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## BUSINESS OF THE MEETING

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### AGENDA

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#### ORDINARY BUSINESS

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##### 1. FINANCIAL STATEMENTS AND REPORTS

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

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##### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020.”*

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

**Voting Prohibition Statement:**

A vote on this Resolution 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 a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

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##### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR LUKE ATKINS

The Company is seeking the re-election of Mr Atkins to continue as a non-executive Director and chairman of the Company. Mr Atkins has extensive experience in the mining industry as a director of publicly listed and private companies; a lawyer by profession he brings significant experience in corporate governance to the Board. Accordingly, the Company proposes that Shareholders consider and, if thought fit, pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Luke Atkins, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

**Short Explanation:** Mr Luke Atkins retires as a Director of the Company, and being eligible seeks re-election as a Director of the Company under this Resolution. Each other Director of the Company supports the re-election of Mr Atkins as a Director.

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#### 4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – TUNKU YAACOB KHYRA

The Company is seeking the re-election of Tunku Yaacob due to his extensive public company and business experience in Malaysia. Tunku Yaacob is a chartered accountant by profession and is a prominent member of the Malaysian business community. Accordingly, the Company proposes that Shareholders consider and, if thought fit, pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Tunku Yaacob Khyra, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

**Short Explanation:** Tunku Yaacob Khyra retires as a Director of the Company, and being eligible seeks re-election as a Director of the Company under this Resolution. Each other Director of the Company supports the re-election of Tunku Yaacob Khyra as a Director.

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#### 5. RESOLUTION 4 – RE-ELECTION OF NOMINATED DIRECTOR MR HANSJOERG PLAGGEMARS

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

*“That, for the purpose of clause 14.4 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Hansjoerg Plaggemars, retires, and being eligible, is re-elected as a Director.”*

**Short explanation:** Clause 14.4 of the Company Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution, which is 9. Any Director so appointed holds office only until the next following general meeting and is then eligible for re-election. As this is the first general meeting of the Company since the appointment of Mr Hansjoerg Plaggemars as a director of the Company he is required to resign as a director, and being eligible has nominated himself for re-election.

Each of the other directors of the Company recommends to shareholders the re-election of Hansjoerg Plaggemars as a Director.

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#### 6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF LR 7.1A SHARES PURSUANT TO PLACEMENT (11 DECEMBER 2019)

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 18,265,462 Shares at an issue price of \$0.0975 per Share, to various investors on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 5 December 2019, the Company announced that it had successfully raised \$1.8 million (before costs) via a share placement. Placement participants would be issued Shares at \$0.0975 per Share which represented a ~15% discount to price of the Company’s shares as traded on the ASX up to and including the close of trade on 2 December 2019. The majority of the issue, the 18,265,462 Shares the subject of this resolution, was made in accordance with the Company’s available placement capacity under ASX Listing Rule 7.1A. This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 for the ratification of the issue of 18,265,462 Shares by the Company.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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**7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF LR 7.1 SHARES PURSUANT TO PLACEMENT (11 DECEMBER 2019)**

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 369,600 Shares at an issue price of \$0.0975 per Share, to various investors on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 5 December 2019, the Company announced that it had successfully raised \$1.8 million (before costs) via a share placement. Placement participants would be issued Shares at \$0.0975 per Share which represented a ~15% discount to price of the Company’s shares as traded on the ASX up to and including the close of trade on 2 December 2019. Part of the issue was made in accordance with the Company’s available placement capacity under ASX Listing Rule 7.1. This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 for the ratification of the issue of 369,600 Shares by the Company.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

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**8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES (CONTROLLED PLACEMENT FACILITY)**

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 40,000,000 Shares to Acuity Capital at an issue price of nil per Share, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 27 February 2020, the Company announced that it had entered into a Controlled Placement Agreement (CPA) with Acuity Capital, and that as collateral for the facility the Company had agreed to place 40,000,000 Shares (**Acuity Collateral Shares**) for nil consideration to Acuity Capital. When the CPA expires on 31 January 2023, or if it is cancelled by Altech, the Acuity Collateral Shares may be bought back by Altech for nil consideration (subject to shareholder approval). This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of the 40,000,000 Shares that were issued on 11 February 2020 under the Company’s placement capacity pursuant to ASX Listing Rule 7.1.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

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

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## 9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF LR 7.1A SHARES (1 MAY 2020)

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,665,000 Shares at a price of \$0.045 per Share issued to Acuity Capital, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 1 May 2020, the Company announced that it had raised \$300,000 (net of costs) via the issue of 6,665,000 Shares at \$0.045 per Share to Acuity Capital under its initial utilisation of the Controlled Placement Agreement. The issue was made in accordance with the Company’s available placement capacity under ASX Listing Rule 7.1A.

This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of the 6,665,000 Shares that were issued on 1 May 2020 under the Company’s placement capacity pursuant to ASX Listing Rule 7.1A.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

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## 10. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF LR 7.1 SHARES (1 MAY 2020)

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 246,914 Shares to a professional investor at a price of \$0.0405 per share, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 1 May 2020, the Company issued 246,914 Shares to a consulting group for various services rendered. The issue was made in accordance with the Company’s available placement capacity under ASX Listing Rule 7.1.

This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of the 246,914 Shares that were issued on 1 May 2020 under the Company’s placement capacity pursuant to ASX Listing Rule 7.1.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

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

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## 11. RESOLUTION 10 – RATIFICATION OF ISSUE OF COLLATERAL SHARES

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,800,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 22 April 2020, the Company announced that it had entered into a Share Purchase Agreement (**SPA**) with Specialty Materials Investments LLC (**SMI**), and that as collateral for the facility the Company had agreed to issue 4,800,000 Shares (**SMI Collateral Shares**) in consideration of SMI’s agreement to undertake the initial investment under the SPA. The SMI Collateral Shares were issued for nil cash consideration. However, upon expiry of the SPA, SMI will pay Altech for the SMI Collateral Shares in accordance with a pre-agreed pricing formula. This Resolution is seeking Shareholder approval under ASX Listing Rule 7.4 to ratify the issue of the 4,800,000 Shares under the Company’s placement capacity pursuant to ASX Listing Rule 7.1.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

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## 12. RESOLUTION 11 – RATIFICATION OF ISSUE OF COMMENCEMENT FEE SHARES

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

*“That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,219,409 of the Shares at a price of \$0.0498 per Share, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** On 22 April 2020, the Company announced that it had entered into the SPA with SMI and had agreed to issue 4,219,409 Shares to SMI at \$0.0498 per Share in satisfaction of a commencement fee. This resolution is seeking shareholder approval under ASX Listing Rule 7.4 to ratify the 4,219,409 Shares that were issued on 22 April 2020 under the Company’s placement capacity pursuant to ASX Listing Rule 7.1.

**Voting Exclusion:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

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

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**13. RESOLUTION 12 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SPECIALTY MATERIALS INVESTMENTS LLC**

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

*“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 43,013,920 Shares, on the terms and conditions set out in the Explanatory Statement.”*

**Short Explanation:** Ratification is being sought for the prior issue of 43,013,920 Shares to Specialty Materials Investments LLC under the SPA. Refer to the Explanatory Statement for details.

**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 issue or any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

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**14. RESOLUTION 13 – APPROVAL OF SPECIALTY MATERIALS INVESTMENTS LLC’S RIGHT TO SUBSCRIBE FOR SHARES IN RELATION TO SUBSCRIPTION AMOUNTS TOTALLING \$981,000**

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

*“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for Specialty Materials Investments LLC’s right to subscribe for Shares with the value of up to \$981,000 on the terms and conditions set out in the Explanatory Statement”*

**Short Explanation:** Approval is being sought for Specialty Materials Investments LLC’s right to subscribe for Shares with the value of up to \$981,000 that will arise from investments made by Specialty Materials Investments LLC after the date of the Annual General Meeting. Refer to the Explanatory Statement for details.

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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

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15. **RESOLUTION 14 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO MR LUKE ATKINS**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, the Company approves and authorises the grant and issue of 1,000,000 Performance Rights to Mr Luke Atkins (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** On 18 March 2015 shareholders approved the grant and issue of 1,500,000 Performance Rights to Mr Atkins. These Performance Rights were awarded for a term of 5-years, which expired on 14 March 2020, and consisted of 3 tranches of 500,000 rights, each tranche was subject of specific vesting conditions. At the time of expiry of the rights, tranche 1 had vested, however tranches 2 and 3 had not yet vested. This resolution is seeking shareholder approval to issue 1,000,000 Performance Rights to Mr Luke Atkins in accordance with the terms and conditions set out in the Explanatory Statement.

**Voting Exclusion:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Atkins (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 14 Excluded Party**).

However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 14 Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 14 Excluded Party, the above prohibition does not apply if:

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

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**16. RESOLUTION 15 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO MR DAN TENARDI**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, the Company approves and authorises the grant and issue of 1,000,000 Performance Rights to Mr Dan Tenardi (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** On 18 March 2015 shareholders approved the grant and issue of 1,500,000 Performance Rights to Mr Tenardi. These Performance Rights were awarded for a term of 5-years, which expired on 14 March 2020, and consisted of 3 tranches of 500,000 rights, each tranche was subject of specific vesting conditions. At the time of expiry of the rights, tranche 1 had vested, however tranches 2 and 3 had not yet vested. This resolution is seeking shareholder approval to issue 1,000,000 Performance Rights to Mr Dan Tenardi in accordance with the terms and conditions set out in the Explanatory Statement.

**Voting Exclusion:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Tenardi (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 15 Excluded Party**).

However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 15 Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 15 Excluded Party, the above prohibition does not apply if:

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

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17. **RESOLUTION 16 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO MR PETER BAILEY**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, the Company approves and authorises the grant and issue of 1,000,000 Performance Rights to Mr Peter Bailey (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** On 18 March 2015 shareholders approved the grant and issue of 2,250,000 Performance Rights to Mr Bailey. These Performance Rights were awarded for a term of 5-years, which expired on 14 March 2020, and consisted of 3 tranches of 750,000 rights, each tranche was subject of specific vesting conditions. At the time of expiry of the rights, tranche 1 had vested, however tranches 2 and 3 had not yet vested. This resolution is seeking shareholder approval to issue 1,000,000 Performance Rights to Mr Peter Bailey in accordance with the terms and conditions set out in the Explanatory Statement.

**Voting Exclusion:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Bailey (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 16 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 16 Excluded Party.

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

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 16 Excluded Party, the above prohibition does not apply if:

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

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**18. RESOLUTION 17 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO TUNKU YAACOB KHYRA**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, the Company approves and authorises the grant and issue of 1,000,000 Performance Rights to Tunku Yaacob Khyra (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** On 29 July 2016 shareholders approved the grant and issue of 1,000,000 Performance Rights to Tunku Yaacob Khyra. These Performance Rights were awarded for a term of 5-years, which will expire on 29 July 2021, and consisted of 2 tranches of 500,000 rights, each tranche the subject of specific vesting conditions. As at the date of this Notice of Meeting, none of the Performance Rights tranches has vested and the directors have resolved that the unvested rights will be cancelled upon conclusion of this Meeting, on the basis that they are no longer considered to be an appropriate incentive. This resolution is seeking shareholder approval to issue 1,000,000 Performance Rights to Tunku Yaacob Khyra in accordance with the terms and conditions set out in the Explanatory Statement. The Performance Rights will be issued to amongst other things align the award date and expiry date of these Performance Rights with the Performance Rights awarded to all other directors of the Company.

**Voting Exclusion:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Khyra (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 17 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 17 Excluded Party.

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

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 17 Excluded Party, the above prohibition does not apply if:

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

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**19. RESOLUTION 18 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO MR UWE AHRENS**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, the Company approves and authorises the grant and issue of 1,000,000 Performance Rights to Mr Uwe Ahrens (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** On 29 July 2016 shareholders approved the grant and issue of 1,000,000 Performance Rights to Mr Uwe Ahrens. These Performance Rights were awarded for a term of 5-years, which will expire on 29 July 2021, and consisted of 2 tranches of 500,000 rights, each tranche the subject of specific vesting conditions. As at the date of this Notice of Meeting, none of the Performance Rights tranches has vested and the directors have resolved that the unvested rights will be cancelled upon conclusion of this Meeting, on the basis that they are no longer considered to be an appropriate incentive. This resolution is seeking shareholder approval to issue 1,000,000 Performance Rights to Mr Uwe Ahrens in accordance with the terms and conditions set out in the Explanatory Statement. The Performance Rights will be issued to amongst other things align the award date and expiry date of these Performance Rights with the Performance Rights awarded to all other directors of the Company.

**Voting Exclusion:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Ahrens (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 18 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 18 Excluded Party.

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

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 18 Excluded Party, the above prohibition does not apply if:

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

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**20. RESOLUTION 19 – APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO MR HANSJOERG PLAGGEMARS**

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

*"That, for the purposes of section 195(4) and section 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, the Company approves and authorises the grant and issue of 1,000,000 Performance Rights to Mr Hansjoerg Plaggemars (or his nominees) on the terms and conditions set out in the Explanatory Statement."*

**Short Explanation:** This resolution is seeking shareholder approval to issue 1,000,000 Performance Rights to Mr. Hansjoerg Plaggemars in accordance with the terms and conditions set out in the Explanatory Statement.

**Voting Exclusion:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Plaggemars (or his nominees) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

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

**Voting Prohibition Statement:**

In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (**Resolution 19 Excluded Party**). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of a Resolution 19 Excluded Party.

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

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 19 Excluded Party, the above prohibition does not apply if:

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

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**BY ORDER OF THE BOARD**



**SHANE VOLK  
COMPANY SECRETARY  
ALTECH CHEMICALS LIMITED  
23 OCTOBER 2020**

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## EXPLANATORY STATEMENT

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

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### 1. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Statement carefully before deciding how to vote on the Resolutions.

#### 1.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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### 2. FINANCIAL STATEMENTS AND REPORTS

In accordance with section 317 of the Corporations Act and the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the Declaration of the Directors, the Directors' Report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.altechchemicals.com](http://www.altechchemicals.com).

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### 3. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 3.1 General

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

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

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

### 3.2 Voting consequences

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

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

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

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

### 3.3 Previous voting results

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

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## 4. RESOLUTIONS 2 AND 3 – RE-ELECTION OF DIRECTORS, LUKE ATKINS & TUNKU YAACOB KHYRA

### 4.1 General

ASX Listing Rule 14.4 and clause 14.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

As Mr Luke Atkins and Tunku Yaacob Khyra, were each last re-elected at the Company's 2017 Annual General Meeting, both will retire in accordance with clause 14.2 of the Constitution and ASX Listing Rule 14.4 and, being eligible, each seeks re-election.

### 4.2 Qualifications and other material directorships

#### **Luke Atkins**

Mr Atkins is a qualified lawyer with considerable experience as director of publicly listed and private companies in the resources sector. Mr Atkins was a founding director of Altech Chemicals Limited and has served as non-executive chairman of the Board since May 2007.

Mr Atkins is also Non-Executive Director of the successful ASX listed mining and exploration company, Bauxite Resources Ltd (BRL). Mr Atkins formerly held the role of executive chairman of BRL after co-founding the company in 2007. He has played a key role in BRL third party negotiations to successfully access funding, joint venture partnerships, land and infrastructure.

Mr Atkins has had extensive experience in capital raisings and has held a number of executive and non-executive directorships of private and publicly listed companies including a number of mining and exploration companies.

## ***Tunku Yaacob Khyra***

Mr Khrya graduated with a Bachelor of Science (Hons) Degree in Economics and Accounting from City University, London and is a Fellow of the Institute of Chartered Accountants in England & Wales and a member of the Malaysian Institute of Accountants. Mr Khrya is a chartered accountant by profession, an experienced public company director and board chairman and a highly successful Malaysian businessman. Mr Khrya, via the shareholdings of Malaysian public company MAA Group Berhad (of which he is executive chairman) and Melewar International Investment Company Limited, controls approximately 7.8% of the Company's Shares as at the date of this Notice of Meeting. Mr Khrya is the executive chairman of the Melewar Khyra Group of Companies (**Melewar**), a Malaysian based diversified financial and industrial services group. Mr Khrya is also the major owner and shareholder of Melewar. Mr Khrya sits on the Boards of Khyra Legacy Berhad, Mycron Steel Berhad, MAA Group Berhad, Melewar Industrial Group Berhad, Ithmaar Bank B.S.C.(listed on Bahrain Stock Exchange) and several other private companies.

### **4.3 Independence**

If re-elected, the Board does not consider Mr Khrya will be an independent Director.

If re-elected, the Board does not consider Mr Atkins will be an independent Director.

### **4.4 Board recommendation**

The Board has reviewed the performance of both Mr Atkins and Mr Khrya since their appointment to the Board and considers that the skills and experience of Mr Atkins and Mr Khrya will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Atkins and Mr Khrya and recommends that Shareholders vote in favour of Resolutions 2 and 3.

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## **5. RESOLUTION 4 – RE-ELECTION OF NOMINATED DIRECTOR – MR HANSJOERG PLAGGEMARS**

### **5.1 General**

Clause 14.4 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution, which is 9.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next following general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Subject to his appointment as a director, Mr Hansjoerg Plaggemars will retire in accordance with clause 14.4 of the Constitution and being eligible, seeks re-election.

### **5.2 Qualifications and other material directorships**

Mr Plaggemars is an experienced manager of companies. He studied business administration at the University of Bamberg from 1990 to 1995. Mr Plaggemars has been a freelance management consultant since June 2017 and is a board member of various companies within the scope of projects. Mr Plaggemars is currently a member of the management board of Frankfurt Stock Exchange listed Altech Advanced Materials AG and until April 2018, he was a member of the board of Delphi Unternehmensberatung AG and previously a member of the board of Deutsche Balaton AG.

### **5.3 Independence**

Mr Plaggemars has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers that Mr Plaggemars will be an independent Director.

#### **5.4 Other material information**

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of Hansjoerg Plaggemars.

#### **5.5 Board Recommendation**

The Board has reviewed Mr Plaggemars' performance since his appointment to the Board and considers that Mr Plaggemars' skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Plaggemars and recommends that Shareholders vote in favour of Resolution 4.

The board supports the re-election of Mr Hansjoerg Plaggemars and recommends that Shareholders vote in favour of Resolution 4.

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## **6. RESOLUTIONS 5 AND 6 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES PURSUANT TO PLACEMENT (11 DECEMBER 2019)**

### **6.1 General**

On 5 December 2019, the Company announced that it had successfully raised \$1.8 million (before costs) via a share placement. Placement participants were issued Shares at \$0.0975 per Share which represented a ~15% discount to price of the Company's shares as traded on the ASX up to and including the close of trade on 2 December 2019 (**Placement**). On 11 December 2019 the Company completed the issue of a total of 18,635,062 Shares at an issue price of \$0.0975 per Share under the Placement (**Placement Shares**), comprising:

- (a) 18,265,462 Placement Shares pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1A (the subject of Resolution 5); and
- (b) 369,600 Placement Shares pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1 (the subject of Resolution 6).

Resolutions 5 and 6 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Placement Shares.

### **6.2 Listing Rules 7.1 and 7.1A**

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

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 14 November 2019.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without

Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Placement Shares.

### **6.3 Listing Rule 7.4**

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

### **6.4 Technical information required by Listing Rule 14.1A**

If Resolutions 5 and 6 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Placement Shares.

If Resolutions 5 and 6 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

### **6.5 Technical information required by ASX Listing Rule 7.5**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Placement Shares were issued to professional and sophisticated investors who were identified by the Directors. The recipients were identified through a bookbuild process, which sought expressions of interest to participate in the capital raising.
- (b) Deutsche Balaton AG, a major shareholder in the Company, participated in the Placement and were issued less than 1% of the Company's issued capital at the time of issue;
- (c) 18,635,062 Placement Shares were issued on the following basis:
  - (i) 18,265,462 Placement Shares issued pursuant to ASX Listing Rule 7.1A; and
  - (ii) 369,600 Placement Shares issued pursuant to ASX Listing Rule 7.1;
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Placement Shares were issued on 11 December 2019;
- (f) the issue price was at \$0.0975 per Placement Share under both of the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the funds raised from this issue were applied to the continuation of construction of the Company's Malaysian high purity alumina plant (stage 2 early works), the payment of the balance of stage 1 early works construction activities and for corporate and general working capital purposes;
- (h) the Placement Shares were not issued pursuant to an agreement; and
- (i) a voting exclusion statement is included in Resolutions 5 and 6 of the Notice.

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## 7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES (CONTROLLED PLACEMENT FACILITY)

### 7.1 General

On 27 February 2020, the Company announced that it had entered into a Controlled Placement Agreement (**CPA**) with Acuity Capital. Under the CPA, the Company is provided with \$10 million of standby equity capital for the period from 1 March 2020 to 31 January 2023. The Company's utilisation of the CPA is optional, and if the Company chooses to utilise the CPA, it retains full control of all aspects of the placement process, having sole discretion as to if and when the CPA is utilised, the quantum of shares issued, the minimum issue price of shares ("floor price") and the timing of any issue. The Company may terminate the CPA at any time, without cost or penalty. A summary of the material terms of the CPA is set out in Schedule 6.

On 27 February 2020, the Company issued 40,000,000 Shares (**Acuity Collateral Shares**) for nil consideration to Acuity Capital under the CPA, as collateral for provision of the facility. The Acuity Collateral Shares were issued under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1.

The Acuity Collateral Shares constitute a security for the obligations owed by the Company to Acuity Capital under the CPA, including the obligation of the Company to issue Shares in accordance with an Exercise Notice (**Option Shares**) (refer to Schedule 6 for further details).

Where the Company is not able or fails to issue Option Shares in accordance with an Exercise Notice and Acuity Capital has made the corresponding payment to the Company for those Option Shares, Acuity Capital may, though is not required, to retain the Acuity Collateral Shares. In such circumstances Acuity Capital will retain full rights over the Acuity Collateral Shares.

Subject to the Company complying with its obligations under the CPA, when the CPA expires on 31 January 2023, or if it is cancelled by Altech, the Acuity Collateral Shares may be bought back by Altech for nil consideration (subject to shareholder approval). This Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 to ratify the prior issue of the Acuity Collateral Shares.

### 7.2 Listing Rules 7.1 and 7.1A

Listing Rules 7.1 and 7.1A are summarised in Section 6.2.

The issue of the Acuity Collateral Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Acuity Collateral Shares.

### 7.3 Listing Rule 7.4

Listing Rule 7.4 is summarised at Section 6.3.

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

### 7.4 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Acuity Collateral Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Acuity Collateral Shares.

If Resolution 7 is not passed, the Acuity Collateral Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Acuity Collateral Shares.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed at this Meeting.

## 7.5 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) the Acuity Collateral Shares were issued to Acuity Capital;
- (b) 40,000,000 Acuity Collateral Shares were issued;
- (c) the Acuity Collateral Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Acuity Collateral Shares were issued on 27 February 2020;
- (e) the Acuity Collateral Shares were issued for nil cash consideration, as collateral for the controlled placement facility. The Company has not and will not receive any other consideration for the issue of the Acuity Collateral Shares;
- (f) the purpose of the issue of the Acuity Collateral Shares was to satisfy the Company's obligations under the Controlled Placement Agreement;
- (g) the Acuity Collateral Shares were issued under the Controlled Placement Agreement. A summary of the material terms of the Controlled Placement Agreement is set out in Section 7.1; and
- (h) a voting exclusion statement is included in Resolution 7 of the Notice.

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## 8. RESOLUTIONS 8 AND 9 – RATIFICATION OF PRIOR ISSUE OF SHARES PURSUANT TO PLACEMENT (1 MAY 2020)

### 8.1 General

On 1 May 2020 the Company completed the issue of a total of 6,911,914 Shares under its initial utilisation of the Controlled Placement Agreement (summarised in Section 7.1) comprising:

- (a) 6,665,000 Shares at \$0.045 per Share (**Acuity CPA Shares**) pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1A (the subject of Resolution 8), raising \$300,000 (net of costs); and
- (b) 246,914 Shares at a deemed issue price of \$0.0405 per Share (**Consulting Shares**) pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1 (the subject of Resolution 9), in consideration for various services rendered.

Resolutions 8 and 9 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

## 8.2 Listing Rules 7.1 and 7.1A

Listing Rules 7.1 and 7.1A are summarised at Section 6.2.

The issues of the Acuity CPA Shares and Consulting Shares do not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Acuity CPA Shares and Consulting Shares.

## 8.3 Listing Rule 7.4

Listing Rule 7.4 is summarised at Section 6.3.

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

## 8.4 Technical information required by Listing Rule 14.1A

If Resolutions 8 and 9 are passed, the Acuity CPA Shares and Consulting Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Acuity CPA Shares and Consulting Shares.

If Resolutions 8 and 9 are not passed, the Acuity CPA Shares and Consulting Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Acuity CPA Shares and Consulting Shares.

## 8.5 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 8 and 9:

- (a) the Acuity CPA Shares were issued to Acuity Capital, who are not a related party of the Company;
- (b) the Consulting Shares were issued to Eden Capital Markets Pty Ltd for the preparation of an investment thesis for possible equity investments by various potential investors (potential new shareholders) in the Company, during the period from mid-March 2020 to mid-June 2020. The consulting group is not a related party of the Company;
- (c) 6,911,914 Shares were issued on the following basis:
  - (i) 6,665,000 Acuity CPA Shares issued pursuant to ASX Listing Rule 7.1A (ratification of which is sought under Resolution 8); and
  - (ii) 246,914 Consulting Shares issued pursuant to ASX Listing Rule 7.1 (ratification of which is sought under Resolution 9);
- (d) the Acuity CPA Shares and Consulting Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Acuity CPA Shares and Consulting Shares were issued on 1 May 2020;

- (f) the issue price was:
- (i) a deemed price of \$0.045 per Share for each of the Acuity CPA Shares; and
  - (ii) a deemed price of \$0.0405 per Share for each of the Consulting Shares.

The Company has not and will not receive any other consideration for the issue of the Acuity CPA Shares and Consulting Shares;

- (g) the purpose of the issues were as follows:
- (i) the Acuity CPA Shares were issued to Acuity Capital under its initial utilisation of the Controlled Placement Agreement; and
  - (ii) the Consulting Shares were issued to a consulting group for various services rendered.

The funds raised from these issues were applied to the continuation of construction of the Company's Malaysian high purity alumina plant (stage 2 early works), the payment of the balance of stage 1 early works construction activities and for corporate and general working capital purposes; and

- (h) the Acuity CPA Shares were issued under the Controlled Placement Agreement. A summary of the material terms of the Controlled Placement Agreement is set out in Section 7.1;
- (i) the Consulting Shares were issued under an agreement. A summary of the material terms of the Corporate Advisory Agreement is set out in Schedule 4; and
- (j) a voting exclusion statement is included in Resolutions 8 and 9 of the Notice.

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## 9. BACKGROUND TO RESOLUTIONS 10 – 13 – SHARE PURCHASE SUBSCRIPTION AGREEMENT

On 22 April 2020, the Company announced (**SPA Announcement**) that it had entered into a share purchase subscription agreement (**SPA**) with Specialty Materials Investments LLC (**SMI**) a U.S. based institutional specialist investor.

Funds received under the SPA will be primarily used for ongoing corporate activities, which are intended to position the Company's high purity alumina (HPA) project for more stable financial markets and anticipated economic stimulus measures post the current COVID-19 situation (refer to the Company's ASX announcement of 25 March 2020 for further details).

Under the SPA, the subscriptions occur in up to 12 instalments (each, a **Closing**) every 20 business days, by way of prepayments of \$200,000 for ordinary fully paid shares (**Shares**) having an aggregate subscription value (**Subscription Amount**) of \$218,000. By mutual consent, the prepayment may be increased up to \$300,000 for each Closing (for an aggregate subscription value of \$327,000). The first Closing occurred on 25 April 2020, and five Closings have occurred since then.

As set out in the SPA Announcement, pursuant to the SPA, prior to obtaining shareholder approval, SMI may subscribe for Shares having an aggregate value of up to \$2,000,000 (the **Initial Aggregate Subscription Amount**) under the Closings (for aggregate prepayments by SMI of \$1,834,862). The Company agreed to issue Shares in relation to the Initial Aggregate Subscription Amount in reliance of the Company's then-existing placement capacity under Listing Rule 7.1.

The number of Shares to be issued to SMI in respect of the Subscription Amounts (such Shares, the **Settlement Shares**) is determined by dividing the Subscription Amounts (or that part thereof) by, at SMI's election:

- (a) \$0.0628, being 140% of the average of the daily volume-weighted average price for the 20 trading days prior to the date of execution of the SPA (which may only be utilised in respect of an aggregate Subscription Amount of \$400,000); or
- (b) 90% of the average of five daily volume-weighted average price (chosen by SMI) during the 20 trading days before the date of issuance of Shares, rounded down to the nearest 1/10th of a cent.

Once a prepayment has been made by SMI, SMI may give notice (**Settlement Notice**) specifying the time or times of issuance for the corresponding Settlement Shares. If by the date which is 12 months following the date of the final Closing under the SPA (**End Date**) there are Subscription Amounts that are yet to be converted to Settlement Shares (**Outstanding Subscription Amounts**), SMI is required to issue a Settlement Notice with respect to the Outstanding Subscription Amounts no later than the business day after the End Date.

As at the date of this Notice of Meeting, over six Closings, SMI has made aggregate prepayments of \$1,400,000, for a Subscription Amount of \$1,526,000, and have exercised its right to subscribe for Settlement Shares with respect to the full \$1,526,000 (the **Settled Subscription Amount**).

As at the date of this Notice of Meeting, the Company has issued 43,013,920 Settlement Shares in the settlement of the Settled Subscription Amount under the SPA. Further detail regarding these Settlement Shares are set forth in the table below:

Settlement	Issue Date	Issue Price	Subscription Amounts	Number of Settlement Shares
1	3 June 2020	\$0.039	\$200,000	5,128,205
2	31 July 2020	\$0.035	\$150,000	4,285,714
3	14 August 2020	\$0.035	\$300,000	8,571,429
4	25 September 2020	\$0.035	\$300,000	8,571,429
5	12 October 2020	\$0.035	\$576,000	16,457,143
			<b>Total: \$1,526,000</b>	<b>Total: 43,013,920</b>

These Settlement Shares were issued pursuant to the Company's existing placement capacity under Listing Rule 7.1. Pursuant to Resolution 12, the Company is seeking Shareholder ratification for the issue of 43,013,920 Settlement Shares.

As at the date of this Notice of Meeting, there are six remaining Closings under the SPA. The maximum prepayment per Closing is \$300,000 (representing a Subscription Amount of \$327,000). Therefore, the maximum remaining prepayments under the SPA total \$1,800,000 (representing an aggregate Subscription Amount of \$1,962,000) (**Future Subscription Amounts**).

Pursuant to Resolution 13, the Company is seeking shareholder approval of SMI's right to subscribe for Future Subscription Amounts with an aggregate value of \$981,000 (**Contingent Subscription Amount**), representing three Closings under the SPA. For the purposes of Resolution 13, the right to subscribe for Shares in relation to Contingent Subscription Amounts will be treated as an equity security (as defined in and for the purposes of the Listing Rules) and, once granted to SMI, may be exercised at the election of SMI in accordance with the terms of the SPA, as summarised in Schedule 3. Akin to a convertible security, any Shares issued on such exercise will fall under Exemption 9 of Listing Rule 7.2. Under the Listing Rules, the prepayments corresponding to the Contingent Subscription Amount must be made within 3 months of the date of this meeting. Assuming Resolution 13 is passed, on expiry of this 3 month period, no further Closings will occur under the SPA until such time as Shareholder approval for SMI's right to subscribe for additional Future Subscription Amounts has been received. Whether the Company will seek such approval will be dependent on its funding requirements at the time.

As further set out in the SPA Announcement, the SPA requires the Company to secure its obligations under the SPA by issuing 4,800,000 Shares. Consequently, on 22 April 2020 the Company issued 4,800,000 Shares (**SMI Collateral Shares**) to SMI in consideration of SMI's obligations under the SPA, ratification of which is sought pursuant to Resolution 10. Upon termination of the SPA (or at such earlier time as determined by SPA), SMI will pay the Company for the SMI Collateral Shares in accordance with a pre-agreed pricing formula.

Finally, the SPA provides for the Company to pay a fee to SMI in connection with its investment in the Company (**Commencement Fee**) as set out in the SPA Announcement. To satisfy its obligation to pay the Commencement Fee, the Company issued 4,219,409 Shares on 22 April 2020 at \$0.0498 per Share to SMI (**Commencement Fee Shares**), ratification of which is sought pursuant to Resolution 11. A summary of the material terms of the SPA is set out in Schedule 3 as well as a schedule containing details of all prepayments and Shares issued under the SPA as at the date of this Notice.

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## **10. RESOLUTIONS 10 AND 11 RATIFICATION OF PRIOR ISSUES OF SHARES UNDER SHARE PURCHASE SUBSCRIPTION AGREEMENT**

### **10.1 General**

As detailed in Section 9 above, the Company is seeking Shareholder approval to ratify the issue of:

- (a) 4,800,000 SMI Collateral Shares, the subject of Resolution 10; and
  - (b) 4,219,409 Commencement Fee Shares, the subject of Resolution 11,
- (together, **Prior Issue Shares**).

### **10.2 Listing Rules 7.1 and 7.1A**

Listing Rules 7.1 and 7.1A are summarised in Section 6.2 above.

The issue of the Prior Issue Shares does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Prior Issue Shares.

### **10.3 Listing Rule 7.4**

Listing Rule 7.4 is summarised at Section 6.3.

Resolutions 10 and 11 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Prior Issue Shares.

### **10.4 Technical information required by Listing Rule 14.1A**

If Resolutions 10 and 11 are passed, the Prior Issue Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, 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 Prior Issue Shares.

If Resolutions 10 and 11 are not passed, the Prior Issue Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Prior Issue Shares.

### **10.5 Technical information required by Listing Rule 7.5**

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 10 and 11:

- (a) the Prior Issue Shares were issued to SMI, who is not a related party of the Company;
- (b) 9,019,409 Prior Issue Shares were issued as follows:
  - (i) 4,800,000 SMI Collateral Shares issued on 22 April 2020; and
  - (ii) 4,219,409 Commencement Fee Shares issued on 22 April 2020;
- (c) the Prior Issue Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the issue prices of the Prior Issue Shares were as follows:
  - (i) the SMI Collateral Shares were issued for nil cash consideration, to secure the Company's obligations under the SPA. SMI may at any time in its sole discretion, and in any event no later than five business days after the Final Date (as defined in Schedule 3) will, pay to the Company in immediately available funds an amount (as discharge of the security represented by the Collateral Shares and in full and final settlement of all liabilities of SMI in connection with the Collateral Shares) equal to the number of Collateral Shares, multiplied by the Purchase Price B (as defined in Schedule 3) as would apply at that time; and
  - (ii) the Commencement Fee Shares were issued for nil cash consideration, at a deemed issue price of \$0.0498 per Share;
- (e) the Company has not and will not receive any other consideration for the issue of the Prior Issue Shares;
- (f) the purpose of the issue of the Prior Issue Shares was to satisfy the Company's obligations under the SPA as follows:
  - (i) the SMI Collateral Shares were issued to secure the Company's obligations under the SPA; and
  - (ii) the Commencement Fee Shares were issued to fulfil the Company's obligation to pay the Commencement Fee to SMI in connection with its investment in the Company;
- (g) the Prior Issue Shares were issued to SMI under the SPA. A summary of the material terms of the SPA is set out in Schedule 3; and
- (h) a voting exclusion statement is included in Resolutions 10 and 11 of the Notice.

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**11. RESOLUTION 12 – RATIFICATION OF PRIOR ISSUE OF SHARES TO SPECIALTY MATERIALS INVESTMENTS LLC'S**

**11.1 General**

As stated in Section 9 above, pursuant to Resolution 12, the Company is seeking Shareholder approval to ratify the prior issue of 43,013,920 Settlement Shares to Specialty Materials Investments LLC, issued in relation to Subscription Amounts of \$1,526,000 under the SPA.

Listing Rules 7.1 is summarised in Section 6.2 above.

The issue of the 43,013,920 Settlement Shares does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of grant.

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

## 11.2 Technical information required by Listing Rule 14.1A

If Resolution 12 is passed, the 43,013,920 Settlement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue.

If Resolution 12 is not passed, the 43,013,920 Settlement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of the relevant Settlement Shares.

## 11.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 12:

- (a) a total of 43,013,920 Settlement Shares were issued to SMI, who is not a related party of the Company;
- (b) the Settlement Shares were issued in relation to Subscription Amounts of \$1,526,000 under the SPA as follows:

Settlement	Issue Date	Issue Price	Subscription Amounts	Number of Settlement Shares
1	3 June 2020	\$0.039	\$200,000	5,128,205
2	31 July 2020	\$0.035	\$150,000	4,285,714
3	14 August 2020	\$0.035	\$300,000	8,571,429
4	25 September 2020	\$0.035	\$300,000	8,571,429
5	12 October 2020	\$0.035	\$576,000	16,457,143
			<b>Total: \$1,526,000</b>	<b>Total: 43,013,920</b>

- (c) the Settlement Shares are fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the Company's existing Shares;
- (d) the Settlement Shares were issued in relation to Subscription Amounts for which SMI made prepayments under the SPA totalling \$1,400,000. The Company has not and will not receive any other consideration for the Settlement Shares;
- (e) the purpose of the issue of the Settlement Shares was in satisfaction of Subscription Amounts for which SMI made prepayments under the SPA that raised \$1,400,000, which has been applied towards the purposes set out in section 9;
- (f) the Settlement Shares were issued under the SPA. A summary of the material terms of the SPA is set out in Schedule 3; and
- (g) a voting exclusion statement is included in Resolution 12 of the Notice.

## 12. RESOLUTION 13 – APPROVAL OF SPECIALTY MATERIALS INVESTMENTS LLC’S RIGHT TO SUBSCRIBE FOR SHARES IN RELATION TO SUBSCRIPTION AMOUNTS TOTALLING \$981,000

### 12.1 General

As stated in Section 9 above, pursuant to Resolution 13, the Company is seeking Shareholder approval for Specialty Materials Investments LLC’s right to subscribe for Shares with the value of up to \$981,000 (**Contingent Subscription Amount**), comprising up to three tranches of future prepayments of up to \$300,000 (with a subscription value of \$327,000 per tranche), in accordance with the terms of conditions of the SPA, as per details in Schedule 3. Listing Rules 7.1 is summarised in Section 6.2 above.

The right to subscribe for Shares in relation to Contingent Subscription Amounts will be classified as an equity security (as defined in and for the purposes of the Listing Rules) and, once granted to SMI (i.e. via a prepayment from SMI to the Company), may be exercised at the election of SMI in accordance with the terms of the SPA, as summarised in Schedule 3. Akin to the treatment of a convertible security under the Listing Rules, so long as the applicable prepayments are made within 3 months of the date of the Meeting, the corresponding Shares issued on exercise of SMI’s right to subscribe will be issued pursuant to Exception 9 of Listing Rule 7.2.

Accordingly, the Company is seeking Shareholder approval pursuant to Listing Rule 7.1 to issue this equity security, being the right for SMI to subscribe for Shares in relation to the Contingent Subscription Amounts.

### 12.2 Technical information required by Listing Rule 14.1A

If Resolution 13 is passed, SMI will, subject to satisfaction of the conditions precedent and other requirements (as further described in Schedule 3 of this Notice), provide the Company with up to \$900,000 of funding. In addition, any Shares issued on exercise of SMI’s right to subscribe for Shares in relation of the Contingent Subscription Amounts will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 13 is passed, the schedule of proposed future Closings would be as follows:

Date of Closing	Maximum Prepayment (\$) – amounts above \$200,000 require the consent of both parties	Maximum Subscription Amount (\$)	Notes
On or about 27 October 2020	300,000	327,000	Issued under the Initial Aggregate Subscription Amount
On or about 25 November 2020	300,000	327,000	Issued under Resolution 13 approval
On or about 24 December 2020	300,000	327,000	Issued under Resolution 13 approval
On or about 25 January 2021	300,000	327,000	Issued under Resolution 13 approval
On or about 26 February 2021	134,862	147,000	Issued under the Initial Aggregate Subscription Amount – there is no more capacity under Listing Rule 7.1 above this amount.
On or about 26 February 2021	The SPA provides that no further Closings may occur unless fresh shareholder approval is obtained for SMI’s right to subscribe for Future Subscription Amounts		

If Resolution 13 is not passed, the Company will not be able to proceed with the Contingent Subscription Amounts and will not have access to the (up to) additional \$900,000 of funding.

If Resolution 13 is not passed, the schedule of proposed future Closings would be as follows:

Date of Closing	Maximum Prepayment (\$) – amounts above \$200,000 require the consent of both parties	Maximum Subscription Amount (\$)	Notes
On or about 27 October 2020	300,000	327,000	Issued under the Initial Aggregate Subscription Amount
On or about 25 November 2020	134,862	147,000	Issued under the Initial Aggregate Subscription Amount – there is no more capacity under Listing Rule 7.1 above this amount.
On or about 24 December 2020	The SPA provides that no further Closings may occur unless fresh shareholder approval is obtained for SMI's right to subscribe for Future Subscription Amounts		
On or about 25 January 2021			
On or about 26 February 2021			
On or about 26 February 2021			

As noted above, once a prepayment has been made by SMI, SMI may issue the Company a Settlement Notice specifying the time or times of issuance for the corresponding Settlement Shares. If by the End Date (being the date which is 12 months following the date of the final Closing under the SPA) there are Subscription Amounts that are yet to be converted to Settlement Shares, SMI is required to issue a Settlement Notice with respect to the outstanding Subscription Amounts no later than the business day after the End Date.

### 12.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 13:

- (a) the Contingent Subscription Amounts will be made by (and the corresponding equity security will be issued to) SMI, who is not a related party of the Company;
- (b) the Contingent Subscription Amounts will be made on the terms and conditions set out in Schedule 3 of this Notice;
- (c) the Contingent Subscription Amounts represent future prepayments by SMI to the Company of up to \$900,000 (with a subscription value of \$981,000), which must be made within 3 months of the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), or otherwise the Company may be required to seek fresh Shareholder approval at a later point in time. The Company will not receive any other consideration for the Contingent Subscription Amounts;
- (d) the Contingent Subscription Amounts create a right for SMI to subscribe for Shares. The issue price of any Shares issued on exercise of the right to subscribe for Shares in relation to the Contingent Subscription Amounts will be determined by dividing the Contingent Subscription Amounts (or that part thereof in relation to which the Shares are being issued) by, at SMI's election:
  - (i) \$0.0628, being 140% of the average of the daily volume-weighted average price for the 20 trading days prior to the date of execution of the SPA (which may only be utilised in respect of tranches with an aggregate subscription value of \$400,000) (Purchase Price A); or
  - (ii) 90% of the average of five daily volume-weighted average price (chosen by SMI) during the 20 trading days before the date of issuance of Shares, rounded down to the nearest 1/10th of a cent (Purchase Price B),

subject to an aggregate maximum of \$400,000 worth of Shares being issued under the SPA for Purchase Price A.

For illustrative purposes, if SMI is electing to exercise its right to subscribe for Shares with respect to Contingent Subscription Amounts totalling \$210,000, and SMI has elected that Purchase Price A will apply, the number of Shares to be issued would be:  $210,000 / 0.0628 = 3,343,949$  Shares.

Any Shares issued on exercise of the right to subscribe for Shares in relation to the Contingent Subscription Amounts will be issued in accordance with the terms of the SPA (as summarised in Schedule 3) and all such Shares will be fully paid ordinary shares in the Company, issued on the same terms and conditions as the Company's existing Shares;

- (e) the purpose of the Contingent Subscription Amounts is to raise up to \$900,000, which will be applied towards the purposes set out in section 9 of this Notice;
- (f) the Contingent Subscription Amounts will be made in accordance with the terms of the SPA. A summary of the material terms of the SPA is set out in Schedule 3 of this Notice;
- (g) the Contingent Subscription Amounts are not being made under, or to fund, a reverse takeover; and
- (h) a voting exclusion statement is included in Resolution 13 of the Notice.

## 12.4 Dilution

Set out below is a worked example of the number of Shares that may be issued upon exercise of the SMI's right to subscribe for Shares in relation to the Contingent Subscription Amounts under Resolution 13, based on an assumed issue prices of \$0.025, \$0.05 and \$0.075 per Share, being the closing price of Shares on 23 October 2020 (**Closing Price**) and a 50% increase and 50% decrease to the Closing Price, and assuming the entire Contingent Subscription Amounts arises (see Schedule 3 of this Notice).

Assumed issue price	Maximum number of Settlement Shares which may be issued in relation to Contingent Subscription Amounts <sup>1</sup>	Current Shares on issue as at the date of this Notice <sup>2</sup>	Number of Shares on issue assuming the Company issued the maximum amount pursuant to Resolution 13 <sup>3</sup>	Dilution effect on existing Shareholders
\$0.025	39,240,000	908,336,970	947,576,970	4.14%
\$0.05	19,620,000	908,336,970	927,956,970	2.11%
\$0.075	13,080,000	908,336,970	921,416,970	1.42%

### Notes:

1. Rounded to the nearest whole number.
2. There are currently 908,336,970 Shares on issue as at the date of this Notice and this table assumes no Performance Rights vest or additional Shares are issued, other than the maximum number of Shares which may be issued pursuant to Resolution 13 (based on the assumed issue prices set out in the table).
3. The Company notes that the above workings are an example only and the actual issue price may differ. This will result in the maximum number of Shares to be issued and the dilution percentage to also differ.

## 13. RESOLUTIONS 14, 15, 16, 17, 18 AND 19 – THE ISSUE OF PERFORMANCE RIGHTS TO LUKE ATKINS, DAN TENARDI AND PETER BAILEY, TUNKU YAACOB KHYRA, UWE AHRENS AND HANSJOERG PLAGGEMARS

### 13.1 General

The Company has agreed, subject to obtaining Shareholder approval to issue a total of 6,000,000 Performance Rights to Mr Luke Atkins, Mr Dan Tenardi, Mr Peter Bailey, Mr Tunku Yaacob Khyra, Mr Uwe Ahrens and Mr Hansjoerg Plaggemars (or their nominees) (**Related Parties**) on the terms and conditions set out below (**Incentive Performance Rights**).

### 13.2 Cancellation of previous Performance Rights issued to Messrs Khyra and Ahrens

On 29 July 2016 shareholders approved the issue of 1,000,000 Performance Rights (**Existing Performance Rights**) to each of Tunku Yaacob Khyra and Uwe Ahrens for the purpose of providing the directors with a performance linked incentive component in their respective remuneration packages.

The vesting conditions and applicable expiry dates for the Existing Performance Rights are set out in the table below:

Tranche	No. of Performance Rights	Expiry Date	Vesting Conditions
1	500,000	29 July 2021	Performance Rights issued will vest upon successful debt financing of the Company's HPA project satisfactory to the Board and the first anniversary date of the issue of the Performance Rights (that is, vesting will only occur after the first anniversary date)
2	500,000	29 July 2021	Performance Rights issued will vest upon first tonne of HPA product being sold and the HPA plant is at a steady state of production (plant is stable and producing at a constant) and the second anniversary date of the issue of the Rights (that is, vesting will only occur after the second anniversary date)

As at the date of this Notice of Meeting, none of the Existing Performance Rights have vested and the directors have resolved that the unvested rights will be cancelled upon conclusion of this Meeting, on the basis that they are no longer considered to be an appropriate incentive. The cancellation of the Existing Performance Rights will occur irrespective of whether Resolutions 14 to 19 of this Meeting are passed.

### 13.3 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Incentive Performance Rights to the Related Parties constitutes giving a financial benefit and each of the Related Parties is a related party of the Company by virtue of being a Director.

As the Incentive Performance Rights are proposed to be issued to all of the Directors other than Mr Iggy Tan, the Directors are unable to form a quorum to consider whether one of the exceptions set out in sections 210 to 216 of the Corporations Act applies to the issue of the Incentive Performance Rights. Accordingly, Shareholder approval for the issue of Incentive Performance Rights to the Related Parties is sought in accordance with Chapter 2E of the Corporations Act.

### 13.4 Listing Rule 10.14

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

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or

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

The issue of Incentive Performance Rights to the Related Parties falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under Listing Rule 10.14.

Resolutions 14 to 19 seek the required Shareholder approval for the issue of the Incentive Performance Rights under and for the purposes of Chapter 2E of the Corporations Act and Listing Rule 10.14.

### **13.5 Technical information required by Listing Rule 14.1A**

If Resolutions 14 to 19 are passed, the Company will be able to proceed with the issue of the Incentive Performance Rights to the Related Parties under the Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Incentive Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Incentive Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolution 14 to 20 are not passed, the Company will not be able to proceed with the issue of the Incentive Performance Rights to the Related Parties under the Performance Rights Plan.

### **13.6 Technical information required by Listing Rule 10.15 and section 219 of the Corporations Act**

Pursuant to and in accordance with the requirements of Listing Rule 10.15 and section 219 of the Corporations Act, the following information is provided in relation to Resolutions 14 to 19:

- (a) the Incentive Performance Rights will be issued to the following persons:
  - (i) Mr Atkins (or his nominees) pursuant to Resolution 14;
  - (ii) Mr Tenardi (or his nominees) pursuant to Resolution 15;
  - (iii) Mr Bailey (or his nominees) pursuant to Resolution 16;
  - (iv) Mr Khrya (or his nominees) pursuant to Resolution 17;
  - (v) Mr Ahrens (or his nominees) pursuant to Resolution 18; and
  - (vi) Mr Plaggemars (or his nominee) pursuant to Resolution 19,

each of whom falls within the category set out in Listing Rule 10.14.1 by virtue of being a Director;

- (b) the maximum number of Incentive Performance Rights to be issued to the Related Parties (being the nature of the financial benefit proposed to be given) is 6,000,000 as follows:

Director	Resolution Number	Number of Performance Rights
Luke Atkins	14	1,000,000
Dan Tenardi	15	1,000,000
Peter Bailey	16	1,000,000
Tunku Yaacob Khyra	17	1,000,000
Uwe Ahrens	18	1,000,000
Hansjoerg Plaggemars	19	1,000,000
<b>Total</b>		<b>6,000,000</b>

- (c) a summary of the material terms and conditions of the Incentive Performance Rights is set out in Schedule 1;
- (d) a summary of the material terms of the Performance Rights Plan is set out in Schedule 5. The Company has not previously issued any securities to the Related Parties under the Performance Rights Plan:
- (e) the Incentive Performance Rights will be issued no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Incentive Performance Rights will occur on the same date;
- (f) the issue price of the Incentive Performance Rights will be nil, as such no funds will be raised from the issue of the Incentive Performance Rights. The Company will not receive any other consideration in respect of the issue of the Incentive Performance Rights;
- (g) the Incentive Performance Rights are unquoted securities.
- (h) Company has chosen to issue Incentive Performance Rights to the Related Parties for the following reasons:
- (i) to incentivise the recipients and align the Board and management in the setting and achievement of the Company's objectives and participating in the future growth and prosperity of the Company through share ownership;
  - (ii) cost effective and efficient reward and incentive for the Company, as opposed to alternative forms of incentive, such as the payment of cash compensation to Directors;
  - (iii) at this stage of the Company's development it is far better for Directors of the Company to be compensated by way of securities in the Company, rather than by way of higher cash remuneration, thereby attracting and retaining the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves; and
  - (iv) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Incentive Performance Rights on the terms proposed;

- (i) the number of Incentive Performance Rights to be issued to each of the Related Parties has been determined based upon a consideration of:
- (i) the role of each Director, in particular their specialist assistance to management;
  - (ii) continuity of senior management. The Directors have acquired substantial and extensive knowledge regarding the development of the Company's project. The retention of the current Board with the knowledge possessed by each of them will be critical to the successful development of the Company's project;
  - (iii) market standards. The Directors have generally reviewed a selection of comparable companies to determine market conditions generally and consider the proposed number of Performance Rights to be issued will ensure that the overall remuneration those persons are in line with market standards; and
  - (iv) alignment of interests. The Directors consider that it is in the interests of shareholders to align the interests of Directors and shareholders by encouraging Directors to have an equity holding in the Company. However, the Directors consider that similarly to other shareholders, this interest should arise through direct investment by the Directors in the Company. In this regard, if shareholders approve the grant and issue of the Performance Rights under Resolutions 14 to 19 and those Performance Rights granted, the vesting conditions attained and the Performance Rights are exercised, the Directors will increase their individual shareholdings in the Company.
- (j) the total remuneration package for each of the Related Parties for the previous financial year and the proposed total remuneration package for the current financial year are set out below:

#### Proposed Total Remuneration 2020-21 Financial Year

Director	Salary, fees & superannuation	Incentive Performance Rights <sup>2</sup>
Luke Atkins	\$104,025	1,000,000
Dan Tenardi	\$76,650	1,000,000
Peter Bailey	\$70,000	1,000,000
Tunku Yaacob Khyra	\$70,000	1,000,000
Uwe Ahrens	\$60,000	1,000,000
Hansjoerg Plaggemars <sup>1</sup>	\$62,250	1,000,000
<b>Total</b>	<b>\$442,925</b>	<b>6,000,000</b>

#### Notes:

1. Mr Plaggemars was appointed as a non-executive director of the Company on 18 September 2020.
2. Subject to the passing of Resolutions 14 to 19. The terms and conditions of the Incentive Performance Rights are set out in Schedule 1.

#### Actual Remuneration 2019-20 Financial Year

Director	Salary, fees & superannuation
Luke Atkins	\$104,025
Dan Tenardi	\$76,650
Peter Bailey	\$70,000
Tunku Yaacob Khyra	\$70,000
Uwe Ahrens	\$60,000
Hansjoerg Plaggemars <sup>1</sup>	-
<b>Total</b>	<b>\$380,675</b>

#### Notes:

1. Mr Plaggemars was appointed as a non-executive director of the Company on 18 September 2020.

- (k) the value of the Incentive Performance Rights and the pricing methodology is set out in Schedule 2;

- (l) no loans are being made to the Related Parties in connection with the acquisition of the Incentive Performance Rights;
- (m) details of any Performance Rights issued under the Performance Rights Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Performance Rights Plan after Resolutions 14 - 19 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14;
- (o) the relevant interests of the Related Parties in securities of the Company as at the date of this Notice are set out below:

Director	Ordinary shares	Unlisted Performance Rights	Total Securities
Luke Atkins	10,357,438	-	10,357,438
Dan Tenardi	5,594,915	-	5,594,915
Peter Bailey	3,774,710	-	3,774,710
Tunku Yaacob Khyra	69,438,811	1,000,000	70,438,811
Uwe Ahrens	1,000,000	1,000,000	2,000,000
Hansjoerg Plaggemars	-	-	-
<b>Total</b>	<b>90,165,874</b>	<b>2,000,000</b>	<b>92,165,874</b>

- (p) if the vesting conditions are met and the Incentive Performance Rights are converted, a total of 2,000,000 Shares would be issued. This will increase the number of Shares on issue from 908,336,970 (being the total number of Shares on issue as at the date of this Notice) to 910,336,970 (assuming that no Shares are issued and other Performance Rights vest) with the effect that the shareholding of the other existing Shareholders, other than the Related Parties the subject of this resolution, would be diluted by 0.2% from 89.83% to 89.63%.
- (q) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.135	25 October 2019, 31 October 2019
Lowest	\$0.023	23 March 2020
Last	\$0.050	23 October 2020

- (r) each Director has a material personal interest in the outcome of Resolutions 14 to 19 on the basis that all of the Directors (or their nominees) are to be issued Incentive Performance Rights should Resolutions 14 to 19 be passed. For this reason, the Directors do not believe that it is appropriate to make a recommendation on Resolutions 14 to 19 of this Notice;

the Board is not aware of any other information that is reasonably required by Shareholders to allow them to decide whether it is in the best interests of the Company to pass Resolutions 14 to 19; and

- (s) a voting exclusion statement is included in Resolutions 14 to 19 of the Notice.

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## 14. ENQUIRIES

Shareholders are requested to contact the Company Secretary, Shane Volk, on (+61 8) 6168 1555 or shane@altechchemicals.com if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

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

**ASIC** means the Australian Securities & Investments Commission.

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

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

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

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

**Chair** means the chair of the Meeting.

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

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

**Company** means Altech Chemicals Limited (ACN 125 301 206).

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

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

**Directors** means the current directors of the Company.

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

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

**Melewar Group** means Melewar Equities (BVI) Ltd, Melewar International Investment Company Ltd and MAA Group Berhad.

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

**Proxy Form** means the proxy form accompanying the Notice.

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

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

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

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

**Variable A** means "A" as set out in the formula prescribed in ASX Listing Rule 7.1A.2.

**VWAP** means the Volume Weighted Average Price.

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

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## SCHEDULE 1 - TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

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The following is a summary of the key terms and conditions of the Performance Rights to be issued to the Directors:

- (a) **Performance Rights:** Each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).
  - (b) **Not transferrable:** Performance Rights are only transferrable with the prior written consent of the Board of the Company or by force of law upon death to the holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.
  - (c) **Vesting Conditions:** The vesting conditions attaching to the Performance Rights are as follows:
    - (i) 50% of the Performance Rights issued to each Director will vest upon successful funding of the HPA project and the first anniversary date of the issue of the Performance Rights; and
    - (ii) 50% of the Performance Rights issued to each Director will vest upon sale of the first tonne of HPA product, and confirmation that the plant is operating at a steady state of production (plant is stable and producing at a constant rate), and the third anniversary date of the issue of the Performance Rights.
- Upon vesting, each Performance Right will, at the election of the holder, convert to one Share (subject to compliance with the ASX Listing Rules and Corporations Act).
- (d) **Vesting:** A Performance Right will vest where Vesting Conditions are satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:
    - (i) death, total and permanent disability, retirement or redundancy, terminal illness, severe financial hardship of the holder; or
    - (ii) the Company undergoing a change in control or winding up.
  - (e) **Exercise of vested Performance Right:** Unless the Board decides otherwise, any vested Performance Right automatically vests, following which the Company will issue the holder with the applicable number of Shares.
  - (f) **Shares:** Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank on equal terms with all other Shares on issue.
  - (g) **Quotation of Shares:** the Company will apply to the ASX for those Shares issued on the exercise of a Performance Right to be quoted on ASX.
  - (h) **Lapse of a Performance Right:** a Performance Right will lapse upon the earlier to occur of:
    - (i) an unauthorised dealing in, or hedging of, the Performance Right;
    - (ii) a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;
    - (iii) a vested Performance Right is not exercised where required;
    - (iv) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder;
    - (v) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right; and
    - (vi) the five (5) year anniversary of the date of grant of the Performance Right.

- (i) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right
- (j) **No Change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (k) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (l) **Dividend and Voting Rights:** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (m) **No rights to return of capital:** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (n) **Rights on winding up:** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (o) **No other rights:** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

## SCHEDULE 2 – VALUATION OF PERFORMANCE RIGHTS

The fair value of the Performance Rights was calculated using the Black Scholes pricing model that took into account the term, the underlying value of the shares, the exercise price, the expected dividend yield, the impact of dilution and the risk-free interest rate. Inputs used for the valuation were:

<b>Variable</b>	
Exercise price for the Performance Right	\$0.00
Market price for the shares at date of valuation / issue	\$0.05
Volatility of Company share price	53%
Dividend yield	0%
Risk free rate	0.43%
Expiry from date of grant (number of years)	5.00
<b>Number of Rights issued</b>	<b>6,000,000</b>

The expected volatility during the term of the shares is based around assessments of the historical volatility of the Company share price and the dividend yield of 0% is on the basis that the Company does not anticipate paying dividends in the period between the issue date and the final vesting date for the shares.

<b>Variable</b>	<b>Assumption</b>
Stock Price 1 (at time the Rights were awarded)	\$0.05
Exercise Price 2	\$0.000
Dividend Yield	0.00%
Volatility	53.00%
"Risk-free" Interest Rate 3	0.43%
Award Date	27-Nov-20
Anticipated last Vesting Date	26-Nov-25
Term (years)	5.00
<b>Black-Scholes Model</b>	
PV Stock Price	\$0.05
PV Exercise Price	\$0.000
Cumulative Volatility	118.51%
% of Stock Price PV	100.00%
% of Exercise Price PV	-100.00%
<b>Call Option Value</b>	<b>\$0.050</b>
Performance Rights granted	6,000,000
<b>Total Value (AUD)</b>	<b>\$300,000</b>

### Value of Performance Right issued to each director

<b>Director</b>	<b>Performance Rights</b>	<b>Assumed Value per Right</b>	<b>Total Value all Rights Awarded</b>
Luke Atkins	1,000,000	\$0.05	\$50,000
Dan Tenardi	1,000,000	\$0.05	\$50,000
Peter Bailey	1,000,000	\$0.05	\$50,000
Tunku Yaacob Khyra	1,000,000	\$0.05	\$50,000
Uwe Ahrens	1,000,000	\$0.05	\$50,000
Hansjoerg Plaggemars	1,000,000	\$0.05	\$50,000
<b>Total</b>	<b>6,000,000</b>		<b>\$300,000</b>

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## SCHEDULE 3 – SUMMARY OF SHARE PURCHASE SUBSCRIPTION AGREEMENT

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The material terms and conditions of the Share Purchase Agreement (**Agreement**) with Specialty Materials Investments LLC (**SMI**) are as follows:

- (a) **Investment:** Twelve tranches of subscriptions for equity. SMI will invest in the Company monthly, each by way of prepayment for Shares, with the first tranche funded on the execution of the Agreement. For each tranche SMI will invest \$200,000 for Shares with the value of \$218,000. By mutual agreement between the parties, the tranches can be increased to a maximum investment of \$300,000 for Shares with the value of \$327,000.
- (b) **Investment Amount:** the maximum aggregate investment amount by SMI under the Agreement is \$3,500,000 (for Shares with the value of \$3,815,000) (**Total Aggregate Investment Amount**), to be invested in no more than 12 instalments.
- (c) **Shareholder approval:** Prior to obtaining shareholder approval, SMI may subscribe for Shares having an aggregate value of up to \$2,000,000 (for aggregate prepayments by SMI of \$1,834,862, paid in nine equal tranches) (**Initial Aggregate Subscription Amount**).
- (d) **Share Issuance:** For each tranche, no later than 12 months after the date of funding of that tranche, SMI will specify the time or times of issuance of shares.

The Shares will be issued at the Purchase Price being, at SMI's election,

- (i) 140% of the average of the daily VWAPs during the 20 trading days immediately prior to the execution date of the Agreement (**Purchase Price A**), or
- (ii) 90% of the average of five daily VWAPs (chosen by SMI) during the 20 trading days before the date of issuance of shares, rounded down to the nearest 1/10th of a cent (**Purchase Price B**).

SMI will not have the right to utilize Purchase Price A for more than A\$400,000 of the equity subscriptions.

- (e) **Base Price:** A\$0.02. If the volume-weighted average price of the Shares is at or below the Base Price for two consecutive trading days during the term of the agreement, SMI will have the right to delay the funding of a tranche by up to 60 days. If the market price of the Shares does not recover to above the Base Price during that delay period, SMI will have the right to terminate the Agreement.
- (f) **Right to Pause:** Each party will have the right to pause the monthly investment schedule for up to two months, twice during the term.
- (g) **Company's Buyback Right:** Until 90 calendar days after the date of execution of the Agreement, the Company will have the right (but not an obligation) to refund those prepayments for Shares that are outstanding from SMI at that time, at 100% of their face value, on five (5) business days' notice to SMI. On receipt of such notice, SMI may elect to exclude up to 30% of the face value of such outstanding share subscription amount from the buyback.
- (h) **Collateral Shares:** 4,800,000 Shares (**Collateral Shares**) were issued by the Company to SMI upon entering into the Agreement. SMI may at any time in its sole discretion, and in any event no later than five business days after the Final Date will, pay to the Company in immediately available funds an amount (as discharge of the security represented by the Collateral Shares and in full and final settlement of all liabilities of SMI in connection with the Collateral Shares) equal to the number of Collateral Shares, multiplied by the Purchase Price B as would apply at that time.

"**Final Date**" means the date as of which there are no obligations outstanding by the Company to SMI.

- (i) **Commencement Fee:** At the time of the funding of the first tranche, the Company paid SMI a fee of by way of the issue of 4,219,409 Shares.

(j) **Termination:**

- (i) The Company will have the right to discontinue the funding of a subsequent tranche at no cost, if the closing price of the Shares as traded on the ASX is less than \$0.022 per Share on any of the 5 trading days preceding the date that is two trading days prior to the due date for the payment of that tranche. Additionally, the Company will have the right to discontinue the funding of all subsequent tranches at any other time, provided that it pays a cancellation fee of \$100,000.
- (ii) If the market price of the Shares does not recover to above the Base Price during the delay period described above in paragraph (e), SMI will have the right to terminate the Agreement.

**Schedule of prepayments and Share issues under the SPA as at the date of this Notice:**

Date	Event	Shares issued	Cash Advanced	Shares Entitlement	Settlement		Shares Entitlement (Cum)
					Amount	Per/Share	
22-Apr-20	Collateral Shares	4,800,000					
22-Apr-20	Fee Shares	4,219,409					
25-Apr-20	Tranche-1		\$200,000	\$218,000			\$218,000
26-May-20	Tranche-2		\$300,000	\$327,000			\$545,000
04-Jun-20	Settlement-1	5,128,205			\$(200,000)	0.039	\$345,000
26-Jun-20	Tranche-3		\$250,000	\$272,500			\$617,500
26-Jul-20	Tranche-4		\$200,000	\$218,000			\$835,500
31-Jul-20	Settlement-2	4,285,714			\$(150,000)	0.035	\$685,500
14-Aug-20	Settlement-3	8,571,429			\$(300,000)	0.035	\$385,500
25-Aug-20	Tranche-5		\$200,000	\$218,000			\$603,500
23-Sep-20	Tranche-6		\$250,000	\$272,500			\$876,000
25-Sep-20	Settlement-4	8,571,429			\$(300,000)	0.035	\$576,000
12-Oct-20	Settlement-5	16,457,143			\$(576,000)	0.035	-
<b>TOTALS</b>		<b>52,033,329</b>	<b>\$1,400,000</b>	<b>\$1,526,000</b>	<b>\$(1,526,000)</b>		

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## SCHEDULE 4 – SUMMARY OF THE CORPORATE ADVISORY AGREEMENT

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The material terms and conditions of the Corporate Advisory Agreement are as follows:

- (a) **Scope of Work:** The consultant will conduct a thorough review of the Company's high purity alumina (HPA) project, including the kaolin feedstock mine at Meckering. The review will focus on the Company's virtual data room, is estimated to take 3 months to complete, will culminate in the production of a due diligence report that will be used to assist the Company with raising external third-party equity and debt financing, on a best endeavours basis.
- (b) **Fee Arrangement:** A due diligence fee of \$30,000 (plus GST), a portion of which was settled via the issue of fully paid Company Shares (\$10,000), priced at a 10% discount to the 10-day volume weighted average price for the shares as traded on the ASX in the 10 trading days immediately preceding that the shares were due. The balance (\$23,000) was paid in cash. A success fee of 6% for new equity raised and a fee of 2% on any debt funding arranged.
- (c) **Term:** An initial term of 12-month, which may be extended by mutual agreement.
- (d) **Termination:** by either party upon receipt of one month's written notice.

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## SCHEDULE 5 – SUMMARY OF PERFORMANCE RIGHTS PLAN

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The following is a summary of the key terms and conditions of the Performance Rights Plan:

- (a) **Eligible Participants:** Any full or part time employees and Executive Directors of the Company, and subject to any necessary ASIC relief, a casual employee or contractor are eligible to participate in the Performance Rights Plan (**Eligible Participants**).
- (b) **Offers:** The Board may, from time to time, at its absolute discretion, make an offer to grant Performance Rights to an Eligible Participant under the Performance Rights Plan and on such additional terms and conditions as the Board determines.
- (c) **Consideration:** Performance Rights granted under the Plan will be issued for nil cash consideration.
- (d) **Performance Rights:** Each Performance Right, once vested, entitles the holder, on exercise, to the issue of one fully paid ordinary share in the capital of the Company (**Share**).
- (e) **Not transferrable:** Performance Rights are only transferrable with the prior written consent of the Board of the Company or by force of law upon death to the participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.
- (f) **Vesting Conditions:** The Board will determine the vesting conditions (if any) that must be satisfied before a Performance Right vests, and the date by which a vesting condition must be satisfied (**Vesting Condition**).
- (g) **Vesting:** A Performance Right will vest where Vesting Conditions are satisfied or where, despite Vesting Conditions not being satisfied, the Board (in its absolute discretion) resolves that unvested Performance Rights have vested as a result of:
  - (i) the participant ceasing to be an Eligible Participant due to a good leaver exception (eg due to death, total and permanent disability, retirement or redundancy, terminal illness, severe financial hardship) as set out in the Plan; or
  - (ii) the Company undergoing a change in control or winding up.
- (h) **Exercise of vested Performance Right:** Unless the Board decides otherwise, any vested Performance Right automatically vests, following which the Company will issue the participant with the applicable number of Shares.
- (i) **Shares:** Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank on equal terms with all other Shares on issue.
- (j) **Quotation of Shares:** If Shares of the same class as those issued under the Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 business days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends.
- (k) **Lapse of a Performance Right:** Subject to the terms of an Offer otherwise providing, a Performance Right will lapse upon the earlier to occur of:
  - (i) an unauthorised dealing in, or hedging of, the Performance Right;
  - (ii) a Vesting Condition in relation to the Performance Right not being satisfied by the due date, or becoming incapable of satisfaction, as determined by the Board in its absolute discretion;
  - (iii) a vested Performance Right is not exercised where required;
  - (iv) a participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right under a good leaver exception;
  - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant;
  - (vi) the Company undergoes a change in control or winding up, and the Board does not exercise its discretion to vest the Performance Right;
  - (vii) the expiry date of the Performance Right; and

- (viii) the seven (7) year anniversary of the date of grant of the Performance Right.
- (l) **No Participation Rights:** There are no participating rights or entitlements inherent in the Performance Rights and participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights without exercising the Performance Right.
- (m) **No Change:** A Performance Right does not confer the right to a change in the number of underlying Shares over which the Performance Right can be exercised.
- (n) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (o) **Inconsistency with Offer:** Notwithstanding any other provision in the Plan, to the extent that any covenant or provision contained in an Offer document is inconsistent with any covenant or provision under the Plan, the deemed covenant or provision under the Offer document shall prevail.

## SCHEDULE 6 – SUMMARY OF CONTROLLED PLACEMENT AGREEMENT

<b>Key Terms</b>		
<b>The Key Terms of the Controlled Placement Agreement (CPA)</b>		
Start Date	1 March 2020	Date the CPA commences. This is the first date Altech may provide an Exercise Request to Acuity Capital.
End Date	31 January 2023	Date the CPA ends. This is the last date that may be requested for a Valuation Period.
Total CPA Limit	\$10,000,000	Maximum amount that can be requested or exercised during the Term.
Securities Discount	10.00%	Discount that securities in Altech are issued to Acuity Capital.
Collateral Shares	40,000,000 Shares	The number of shares Acuity requires to have as collateral. Acuity will return these at the termination of the CPA.
Termination Notice	5 Business Days	Number of Business Days notice that Altech must give Acuity Capital in order to terminate the CPA.
<b>CPA Exercise Request</b>		
<b>The Company provides an Exercise Request to request an exercise of the CPA. The Exercise Request includes a Floor Price, Maximum Securities, a Valuation Period and an optional Maximum Exercise Request Amount.</b>		
Floor Price	Company's discretion To be advised by Altech in each Exercise Request	Minimum price at which Altech will issue securities to Acuity Capital to raise capital for the relevant Valuation Period. This puts a minimum price at which Altech raises capital, though the actual exercise price may be higher. Altech sets the Floor Price for each Valuation Period.
Maximum Securities	Company's discretion To be advised by Altech in each Exercise Request	Maximum number of ATC securities that Altech is prepared to issue for that particular Exercise Request. Altech may specify a different number of Maximum Securities for each particular Exercise Request.
Exercise Request Amount	Optional & at discretion of Altech To be advised by Altech in each Exercise Request	Maximum amount that Acuity Capital may provide to Altech for a given Exercise Request/Valuation Period.
Maximum Exercise Request Amount	\$10,000,000	Maximum amount Altech can request to be exercised per Exercise Request.
Valuation Period	Company's discretion To be advised by Altech in each Exercise Request	Period of time over which the Exercise Price, the Securities Issued and the Exercise Amount are determined prior to settlement occurring.
Minimum Valuation Period	One Business Day	Minimum length of time Altech may request a Valuation Period to be.
Maximum Valuation Period	One month (i.e. 20 Business Days)	Maximum length of time Altech may request a Valuation Period to be.
Exercise Request Notification Date	By 4pm one Business Day prior to the requested start date of the next Valuation Period	The Company must provide an Exercise Request to Acuity Capital by 4pm the Business Day before the requested Valuation Period start date.

<b>Exercise Notice</b> Acuity Capital provides an Exercise Notice after a Valuation Period. Includes the Exercise Amount, Exercise Price, Securities Issued and settlement dates for that Valuation Period.		
Exercise Price	The greater of: <ul style="list-style-type: none"> <li>• 90.00% of volume weighted average price of securities notified by Acuity Capital for the relevant Valuation Period; and</li> <li>• Floor Price</li> </ul>	Price at which Altech issues securities to Acuity Capital. Acuity Capital will notify Altech the Exercise Price in the Exercise Notice.
Securities Issued	As contained in the Exercise Notice	Number of securities Acuity Capital will subscribe for at the Exercise Price. Acuity Capital will notify Altech the amount of securities to be issued by Altech in the Exercise Notice. This amount is at Acuity Capital's discretion, up to the Maximum Exercise Request Amount.
Exercise Amount	Exercise Price multiplied by the Securities Issued	Amount of capital provided by Acuity Capital for a relevant Exercise Request and Valuation Period for the issue of the securities. Acuity Capital will notify Altech the amount that will be provided in the Exercise.
<b>Completion / Settlement</b> Exercise to the Company and when the Company issues securities		
Exercise Advance Date	Exercise Notice date plus 5 Business Days	Acuity Capital will pay the Exercise Amount in cash to Altech no later than five days after issuing the Exercise Notice.
Securities Issue Date	The later of: <ul style="list-style-type: none"> <li>• Exercise Notice Date plus 5 Business Days; or</li> <li>• Fifth Business Day of the following month after the Exercise Notice Date</li> </ul>	Company must provide the Securities Issued to Acuity Capital no later than five days after the date of the issuing Notice. Company must also issue a Cleansing Statement at the Share Issue Date.
<b>Fees</b> The fees payable by the Company to enter into the CPA		
Set-up Fee	\$30,000 Cash	Fee for setting up the CPA with Acuity Capital. This fee is payable on execution of the CPA. The Set-up Fee is exclusive of GST if it applies. Note: Acuity Capital may agree to accept Securities in lieu of the Set-up Fee. Conditions apply. e.g. issued at a 10% discount to a 5 day VWAP.

# APPOINTMENT OF PROXY FORM

## ALTECH CHEMICALS LIMITED

ACN 125 301 206

ANNUAL GENERAL MEETING (27 November 2020)

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR:  the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at Suite 8, 295 Rokeby Road, Subiaco at 4:00pm WST on 27 November 2020, and at any adjournment thereof.

### AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 14, 15, 16, 17, 18 and 19 (except where I/we have indicated a different voting intention below) even though Resolutions 1, 14, 15, 16, 17, 18 and 19 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

### CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Director – Mr Luke Atkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-Election of Director – Tunku Yaacob Khyra	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Re-Election of Nominated Director Mr Hansjoerg Plaggemars	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue of LR 7.1A Shares Pursuant to Placement (11 December 2019)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue of LR 7.1 Shares Pursuant to Placement (11 December 2019)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue of Shares (Controlled Placement Facility)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Prior Issue of LR 7.1A Shares (1 May 2020)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of Prior Issue of LR 7.1 Shares (1 May 2020)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Ratification of Issue of Collateral Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Ratification of Issue of Commencement Fee Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 12	Ratification of the prior issue of 43,013,920 Shares to Specialty Materials Investments LLC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 13	Approval of Specialty Materials Investments LLC's right to subscribe for Shares in relation to subscription amounts totalling \$981,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 14	Approval of the Issue of Performance Rights to Director Mr Luke Atkins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 15	Approval of the Issue of Performance Rights to Director Mr Dan Tenardi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 16	Approval of the Issue of Performance Rights to Director Mr Peter Bailey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 17	Approval of the Issue of Performance Rights to Director Tunku Yaacob Khyra	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 18	Approval of the Issue of Performance Rights to Alternate Director Mr Uwe Ahrens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 19	Approval of the Issue of Performance Rights to Director Mr Hansjoerg Plaggemars	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: \_\_\_\_\_

Contact name: \_\_\_\_\_ Contact ph (daytime): \_\_\_\_\_

E-mail address: \_\_\_\_\_ Consent for contact by e-mail: YES  NO

## Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) e-mail to the Company at [shane@altechchemicals.com](mailto:shane@altechchemicals.com); or
  - (b) post to Altech Chemicals Limited, Suite 8, 295 Rokeby Road, Subiaco WA 6008

**so that it is received not less than 48 hours prior to commencement of the Meeting.**

**Proxy Forms received later than this time will be invalid.**