

Notice of Annual General Meeting

EcoGraf Limited (ACN 117 330 757) (“**EcoGraf**” or the “**Company**”) (ASX: **EGR**) is pleased to advise that the following documents were sent to shareholders today in relation to the Annual General Meeting of the Company to be held on Wednesday, 25 November 2020 at 10:00 am (AWST):

1. Notice of Meeting (including Explanatory Memorandum).
2. Proxy Form.
3. Letter to Shareholders (who have not elected to receive notices by email).

In accordance with temporary modifications to the *Corporations Act 2001* (Cth) under the Corporations (Coronavirus Economic Response) Determination (No 3) 2020, the Company will not be sending hard copies of the Notice of Meeting to Shareholders.

The Notice of Meeting can be viewed and downloaded from the Company’s website at https://www.ecograf.com.au/investor_categories/announcements/.

Shareholders will be able to submit their proxy vote online or by form in accordance with the instructions on the Proxy Form.

This announcement is authorised for release by Andrew Spinks, Managing Director.

For further information, please contact:

INVESTORS

Andrew Spinks
Managing Director
T: +61 8 6424 9002



ECOGRAF LIMITED
ACN 117 330 757
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)

DATE: 25 November 2020

PLACE: Celtic Club, 48 Ord Street, West Perth, Western Australia

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

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

Should you have any questions regarding the matters in this document please do not hesitate to contact the Company Secretary via email at info@ecograf.com.au.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00 am (WST) on Monday, 23 November 2020.

BUSINESS OF THE MEETING

AGENDA

FINANCIAL STATEMENTS AND REPORTS

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

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

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

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

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

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

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (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.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JOHN CONIDI

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 14.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, John Conidi, a Director, retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – 28 MAY 2020 PLACEMENT SHARES

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 24,615,385 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

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 is a counterparty to the agreement being approved (namely the recipients of the Placement Shares) 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 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.

4. RESOLUTION 4 – APPOINTMENT OF AUDITOR

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

“That, for purposes of section 327B of the Corporations Act and for all other purposes, RSM Australia Partners of Level 32, Exchange Tower, 2 The Esplanade, Perth, WA 6000, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company with effect from the date detailed in the Explanatory Statement.”

5. RESOLUTION 5 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

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

“That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Incentive Performance Rights Plan and for the issue of securities under that plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme 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:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 6 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – ANDREW SPINKS

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

“That, for the purposes of Listing Rule 10.14, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue 1,775,000 Performance Rights to Andrew Spinks (or his nominee) under the Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Andrew Spinks (or his nominee)) 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:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

7. RESOLUTION 7 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – ROBERT PETT

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

“That, for the purposes of Listing Rule 10.14, section 195(4) of the Corporations Act and for all other purposes, approval is given for the Company to issue 1,250,000 Performance Rights to Robert Pett (or his nominee) under the Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.”

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

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Robert Pett (or his nominee)) 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:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. RESOLUTION 8 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTOR – JOHN CONIDI

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

“That, subject to the passing of Resolution 2, section 195(4) of the Corporations Act for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 1,250,000 Performance Rights to John Conidi (or his nominee) under the Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including John Conidi (or his nominee)) 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:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
 - (b) the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

9. RESOLUTION 9 – REPLACEMENT OF CONSTITUTION

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

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

10. RESOLUTION 10 – APPROVAL OF 7.1A MANDATE

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Dated: 26 October 2020

By order of the Board

**Howard Rae
Chief Financial Officer and Company Secretary**

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

Questions

Shareholders are encouraged to submit questions in respect of the items of business as well as general questions in respect of the Company and its operations in advance of the Meeting by email to the Company Secretary at info@ecograf.com.au.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary via email at info@ecograf.com.au.

EXPLANATORY STATEMENT

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

FINANCIAL STATEMENTS AND REPORTS

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

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.ecograft.com.au.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 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.

1.2 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.

1.3 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.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – JOHN CONIDI

2.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

John Conidi, who has served as a Non-Executive Director since 4 May 2015 and was last re-elected on 29 November 2019, retires by rotation and seeks re-election.

2.2 Qualifications and other material directorships

John Conidi is a Certified Practising Accountant. He has over 20 years' experience acquiring, developing and managing businesses in the technology and healthcare sectors. In his position as Managing Director of Capitol Health Limited, Mr Conidi drove its sustained expansion, increasing its market capitalisation from \$20 million to over \$500 million during his tenure.

Mr Conidi has extensive interests in the graphite sector. He is an experienced investor specialising in technology and resources and is the Chairman of 333D Limited (ASX: T3D) that with EcoGraf Limited, jointly owns 3D Graphtech Industries Pty Ltd.

2.3 Independence

If re-elected the Board considers Mr Conidi will be an independent Director.

2.4 Board recommendation

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

3. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF SHARES – 28 MAY 2020 PLACEMENT SHARES

3.1 General

On 28 May 2020, the Company issued 24,615,385 Shares at an issue price of \$0.065 per Share to raise \$1,600,000 (**Placement Shares**).

Investment advisers Shaw and Partners Limited (AFSL 236 048) and Beer and Co. (AFSL 224 313) assisted the Company in relation to the issue of the Placement Shares and were paid a fee of 6% of the proceeds they raised.

3.2 ASX Listing Rules 7.1 and 7.1A

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 period.

Under Listing Rule 7.1A, 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 29 November 2019. 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 10 being passed at this Meeting.

The issue of the Placement Shares does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's 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 Placement Shares.

3.3 ASX Listing Rule 7.4

Listing Rule 7.4 allows 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 be 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 into 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.

3.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is 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 it can issue without shareholder approval over the 12 month period following the issue date of the Placement Shares.

If Resolution 3 is 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 it can issue without shareholder approval over the 12 month period following the issue date of the Placement 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 10 being passed at this Meeting.

3.5 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 the issue of Shares:

- (a) the Shares were issued to institutional, professional and sophisticated investors who were either eligible existing shareholders of the Company or clients of the investment advisers noted in Section 3.1 above;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) a total of 24,615,385 Shares were issued under the placement capacity available to the Company under 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 28 May 2020;
- (f) the issue price was \$0.065 per Placement Share. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (g) the purpose of the issue of the Placement Shares was to raise \$1,600,000 (prior to costs), which was applied towards developing the EcoGraf battery graphite facility in Kwinana, Western Australia and to secure government approvals for the proposed financing of the Epanko Graphite Mine in Tanzania;
- (h) the Placement Shares were not issued under an agreement; and
- (i) a voting exclusion statement has been included for the Resolution.

4. RESOLUTION 4 – APPOINTMENT OF AUDITOR

Ernst & Young, the Company's current auditor, intends to resign as auditor of the Company by giving notice of its intention to resign as auditor of the Company to ASIC in accordance with section 329(5) of the Corporations Act.

Upon receipt of ASIC's consent to their resignation, Ernst & Young has advised that it will submit a notice of resignation to the Company in accordance with section 329(5) of the Corporations Act, such resignation to take effect from the later to occur of the date of the Meeting and the date of the resignation. Assuming the notice of resignation of Ernst & Young is received in accordance with 329(5) of the Corporations Act prior to the Meeting, and Resolution 4 is passed, the appointment of RSM Australia Partners (**RSM**) as the Company's auditors will take effect from the close of the Annual General Meeting. If ASIC's consent is not obtained prior to the Meeting, the appointment of RSM as the Company's

auditors will take effect from the date that ASIC consent is received and Ernst & Young resigns.

The proposal to change auditor has occurred because the Company wishes to separate audit services from the on-going tax and advisory services being provided by its current auditor Ernst & Young. This approach preserves auditor independence and is consistent with good corporate governance.

After conducting a competitive tender process, it was determined that RSM is the Company's preferred choice as auditor on the basis of independence, industry experience, audit team skills and cost competitiveness.

In accordance with section 328B(1) of the Corporations Act, the Company has sought and obtained a nomination from a Shareholder for RSM to be appointed as the Company's auditor. A copy of this nomination is attached to this Notice as Annexure A.

RSM has given its written consent to act as the Company's auditor in accordance with section 328A(1) of the Corporations Act, subject to Shareholder approval of this Resolution 4 and the resignation of Ernst & Young.

5. RESOLUTION 5 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

5.1 General

Resolution 5 seeks Shareholder approval for the adoption of the employee incentive scheme titled "Incentive Performance Rights Plan" (**Incentive Performance Rights Plan**) and for the issue of Performance Rights under the Incentive Performance Rights Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Incentive Performance Rights Plan is to assist the Company with the recruitment, reward, retention and incentivisation of key personnel who possess the necessary skills and experience to enable the Company to effectively develop its graphite businesses and to grow long-term shareholder value.

The Company is at a critical stage of growth as it advances the new EcoGraf™ Processing Facility and the Epanko Graphite Mine in Tanzania to development and operations. The international graphite industry is evolving rapidly to support the use of graphite in lithium-ion batteries for electric vehicles and the retention of specialised skills is essential to the Company's future success.

To achieve this outcome, the Company believes that incentivising and rewarding performance and the achievement of key objectives through equity arrangements is the most effective remuneration structure because it preserves the Company's limited cash resources and aligns the interests of personnel with those of all shareholders.

This alignment was evident this year, as in response to the impact of COVID-19 on the Company's shareholders, the Directors and executives waived their fees and voluntarily reduced their salaries by up to 50% in the quarter ended 30 June 2020 and voluntarily reduced their fees and salaries by 20% through to 31 December 2020.

The Directors also agreed during the year to make available a \$300,000 unsecured, interest free loan facility to support the Company, as required.

Accordingly, the Company proposes to implement the Incentive Performance Rights Plan to provide it with the ability to offer eligible participants with short and long-term incentive arrangements that are competitive with those of similar companies and assist the Company achieve its strategic business objectives.

Short-Term Incentive

Under the short-term incentive arrangements, eligible participants may earn Performance Rights for the achievement of pre-determined key performance measures each year, with the determination of the amount, if any, made after the end of each year, by multiplying the individual's assessed key performance score by the applicable percentage of their fixed annual remuneration.

The number of Performance Rights, if any, to be earned under the short-term incentive will be calculated by dividing the short-term incentive amount by the volume weighted average price of the Company's shares during the applicable financial year. To promote alignment and retention, if any Performance Rights are allocated, the individual will not be able to dispose of the shares received on exercise of the Performance Rights for a period of 12 months from the end of the financial year for which they were awarded.

Upon exercise, each Performance Right will entitle the eligible participant to receive one ordinary share in the Company.

The short-term incentive arrangements are applicable for the year ending 30 June 2021 and will apply to the Managing Director and Chief Financial Officer. There is no certainty that either participant will receive any award, which is dependent on their performance over the year against key performance measures that cover the following areas:

- (a) Business development (corporate and project development, product sales, financing and investment, feasibility and engineering studies, early works programs and industry collaboration);
- (b) Financial management (cash management and cost control, capital markets programs and industry funding);
- (c) Organisational development (business capacity and resilience, human resource management and operating procedures); and
- (d) Innovation and continuous improvement (process and product development, research partnerships, new technologies and markets).

Further information relating to the Managing Director is provided in Section 6.6(c) below. Any issue of Performance Rights to a Director as part of the short-term incentive will be subject to Shareholder approval under Listing Rule 10.14.

Long-Term Incentive

The long-term incentive arrangements involve the offer of Performance Rights to eligible participants which are subject to pre-determined performance conditions that are required to be achieved prior to vesting.

The performance conditions have been set to promote achievement of the Company's key strategic objectives, being securing funding for the construction of the new EcoGraf™ Processing Facility and the Epanko Graphite Mine in Tanzania, together with the growth of shareholder value, represented by the Company's market capitalisation.

Subject to the achievement of the specified performance conditions, upon exercise each Performance Right will entitle the eligible participant to receive one ordinary share in the Company.

The number of Performance Rights offered to an individual is determined by reference to equity incentives offered by similar companies and the potential for the individual, through their position, skills and experience, to create long-term shareholder value.

Further information relating to the Performance Rights to be offered to the Managing Director and Non-Executive Directors is provided in Section 6 below.

As summarised in Section 3.2 above, 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 shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 5 is passed, the Company will be able to issue Performance Rights under the Incentive Performance Rights Plan to eligible participants over a period of 3 years. The issue of any Performance Rights to eligible participants under the Incentive Performance Rights Plan (up to the maximum number of Performance Rights stated in Section 5.2(c) below) will then 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 5 is not passed, the Company will still be able to proceed with the issue of Performance Rights under the Incentive Performance Rights Plan to eligible participants, but any issues of Performance Rights will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Performance Rights.

The Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Performance Rights under the Incentive Performance Rights Plan to a related party (including the proposed issues under Resolutions 6, 7 and 8) or to a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained. Accordingly, if Resolution 5 is not passed the Company will still be able to issue Performance Rights to the Directors as proposed under Resolutions 6, 7 and 8 if Shareholder approval for those resolutions is obtained.

5.2 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 5:

- (a) a summary of the key terms and conditions of the Incentive Performance Rights Plan is set out in Schedule 1;
- (b) the Company has not issued any Performance Rights under the Incentive Performance Rights Plan as this is the first time that Shareholder approval is being sought for the adoption of the Incentive Performance Rights Plan; and
- (c) subject to Shareholder approval, the total amount of Performance Rights that may be issued over the next 3 years to all eligible personnel under the Incentive Performance Rights Plan (including the Performance Rights proposed to be issued under Resolutions 6, 7 and 8) is 18,199,338 Performance Rights, (being 5% of the number of Shares currently on issue), although it is not expected that the Company will in practice issue that number of Performance Rights.

6. RESOLUTIONS 6, 7, AND 8 – ISSUE OF INCENTIVE PERFORMANCE RIGHTS TO DIRECTORS – MESSRS ANDREW SPINKS, ROBERT PETT AND JOHN CONIDI

6.1 General

As set out above, the Company is seeking approval of a new Incentive Performance Rights Plan. The new Incentive Performance Rights Plan and the issue of Performance Rights is part of the new short and long-term incentive structures being implemented by the Company as detailed in Section 5.1 above.

Subject to Shareholder approval pursuant to Listing Rule 10.14, the Company has agreed to issue a total of 4,275,000 Performance Rights to Messrs Andrew Spinks, Robert Pett and John Conidi (or their nominees) (**Related Parties**) on the terms and conditions of the Incentive Performance Rights Plan and as set out below (**Performance Rights**).

Related Party		Performance Rights
Andrew Spinks	(Resolution 6)	1,775,000
Robert Pett	(Resolution 7)	1,250,000
John Conidi	(Resolution 8)	1,250,000

6.2 Chapter 2E of the Corporations Act

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

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

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

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

The Directors (other than Mr Spinks who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Spinks.

The Directors (other than Mr Pett who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Pett.

The Directors (other than Mr Conidi who abstained) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 8 because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Conidi.

6.3 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a Director of a public company may not vote or be present during meetings of Directors when matters in which that Director holds a "material personal interest" are being considered, except in certain limited circumstances. Section 195(4) provides that if there are not enough Directors to form a quorum for a Directors meeting because of this restriction, one or more of the Directors may call a general meeting and the general meeting may pass a resolution to deal with the matter.

It might be argued (although the Board does not believe it to be the case) that each of the Directors comprising the Board have a material personal interest in the outcome of Resolutions 6, 7 and 8 as an issue of Performance Rights is proposed for each Director. If each does have such an interest, then in accordance with section 195(4) a quorum could not be formed to consider the matters contemplated by Resolutions 6, 7 and 8 at Board level.

Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company also seeks Shareholder approval for the purposes of section 195(4) of the Corporations Act for the issue of Performance Rights proposed under Resolutions 6, 7 and 8 and in respect of the Board decision to apply the reasonable remuneration exception under section 211 of the Corporations Act to these issues.

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

Resolutions 6, 7 and 8 seek the required Shareholder approval for the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

6.5 Technical information required by Listing Rule 14.1A

If Resolutions 6, 7 and 8 are passed, the Company will be able to proceed with the issue of the Performance Rights to Messrs Spinks, Pett and Conidi under the Incentive Performance Rights Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Performance Rights (because approval is being obtained under Listing Rule 10.14), the issue of the Performance Rights will not use up any of the Company's 15% annual placement capacity.

If Resolutions 6, 7 and 8 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Messrs Spinks, Pett and Conidi under the Incentive Performance Rights Plan.

6.6 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 6, 7 and 8:

- (a) the Performance Rights will be issued to the Related Parties as follows:
- (i) Andrew Spinks (or his nominee) pursuant to Resolution 6;
 - (ii) Robert Pett (or his nominee) pursuant to Resolution 7; and
 - (iii) John Conidi (or his nominee) pursuant to Resolution 8,
- 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 Performance Rights to be issued to the Related Parties is 4,275,000 comprising:
- (i) 1,775,000 Performance Rights to Mr Andrew Spinks (Resolution 6);
 - (ii) 1,250,000 Performance Rights to Mr Robert Pett (Resolution 7); and
 - (iii) 1,250,000 Performance Rights to Mr John Conidi (Resolution 8);
- (c) 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:

Related Party	Current Financial Year 2021	Previous Financial Year 2020
Andrew Spinks (Resolution 6)	\$322,787 ¹	\$316,485 ⁴
Robert Pett (Resolution 7)	\$72,000 ²	\$67,700 ⁵
John Conidi (Resolution 8)	\$49,275 ³	\$41,063 ⁶

Notes:

1. Comprising a salary of \$297,791 and superannuation of \$24,996 and reflecting that Mr Spinks has voluntarily agreed to reduce his salary by 20% for the 6 months

ending 31 December 2020. Mr Spinks usual fixed annual remuneration, inclusive of superannuation, is \$355,875.

Subject to his performance against key performance measures, Mr Spinks may be entitled to earn a short-term incentive for the year ending 30 June 2021 in accordance with Section 5.1 above, in the form of Performance Rights of an amount equal to a maximum of 40% of his fixed annual remuneration, although there is no certainty that any short-term incentive will be earned by Mr Spinks. Any Performance Rights agreed to be issued to Mr Spinks as part of a short-term incentive will be subject to Shareholder approval.

If the 1,775,000 long-term incentive Performance Rights are issued under Resolution 6, a share-based payment amount will be reported against Mr Spinks' remuneration in the Remuneration Report for the year ending 30 June 2021. The share-based payment amount will be determined in accordance with AASB 2 Share Based Payment using the assumptions and probability simulation described in Section 6.6(g) below.

2. Comprising a directors' fee of \$65,753 and superannuation of \$6,247 and reflecting that Mr Pett has voluntarily agreed to reduce his directors' fee by 20% for the 6 months ending 31 December 2020.

If the 1,250,000 long-term incentive Performance Rights are issued under Resolution 7, a share-based payment amount will be reported against Mr Pett's remuneration in the Remuneration Report for the year ending 30 June 2021. The share-based payment amount will be determined in accordance with AASB 2 Share Based Payment using the assumptions and probability simulation described in Section 6.6(g) below.

3. Comprising a directors' fee of \$49,275 and reflecting that Mr Conidi has voluntarily agreed to reduce his directors' fee by 20% for the 6 months ending 31 December 2020.

If the 1,250,000 long-term incentive Performance Rights are issued under Resolution 8, a share-based payment amount will be reported against Mr Conidi's remuneration in the Remuneration Report for the year ending 30 June 2021. The share-based payment amount will be determined in accordance with AASB 2 Share Based Payment using the assumptions and probability simulation described in Section 6.6(g) below.

4. Comprising a salary of \$292,356, superannuation of \$25,000 and non-cash long service leave adjustment of (\$871), reflecting that Mr Spinks voluntarily agreed to reduce his salary by 50% for the 3 months ended 30 June 2020.
5. Comprising a directors' fee of \$54,795, special exertion fees of \$7,700 and superannuation of \$5,205, reflecting that Mr Pett voluntarily agreed to waive his directors' fee for the 3 months ended 30 June 2020.
6. Comprising a directors' fee of \$41,063, reflecting that Mr Conidi voluntarily agreed to waive his directors' fee for the 3 months ended 30 June 2020.

- (d) this is the first time that Shareholder approval is being sought for the adoption of the Incentive Performance Rights Plan and no Performance Rights have been previously issued under the Incentive Performance Rights Plan;
- (e) a summary of the material terms and conditions of the Performance Rights is set out in Schedule 2;
- (f) the Performance Rights are unquoted performance rights. The Company has chosen to grant Performance Rights to the Related Parties because:
 - (i) the issue of Performance Rights assists the Company with the reward, retention and incentivisation of Messrs Spinks, Pett and Conidi, who possess the necessary skills and experience to enable the Company to effectively develop its graphite businesses and to grow long-term shareholder value;

- (ii) the Company is at a critical stage of growth as it advances the new EcoGraft™ Processing Facility and the Epanko Graphite Mine in Tanzania to development and operations, with the international graphite industry evolving rapidly to support the use of graphite in lithium-ion batteries for electric vehicles and the retention of specialised skills is essential to the Company's future success;
 - (iii) the Company believes that incentivising and rewarding performance and the achievement of key objectives through Performance Rights equity arrangements is the most effective remuneration structure because it preserves the Company's limited cash resources and aligns the interests of Messrs Spinks, Pett and Conidi with those of all shareholders;
 - (iv) the use of Performance Rights are typically less dilutionary than options and because the Performance Rights are unlisted, the grant of the Performance Rights has no immediate dilutionary impact on Shareholders until, if and when the performance milestones are achieved, in which case all Shareholders will share in the benefits resulting from the Company achieving its strategic business objectives; and
 - (v) the issue of the Performance Rights enables the Company to provide cost-effective incentive remuneration to Messrs Spinks, Pett and Conidi that is consistent with equity remuneration arrangements offered by similar listed companies at the same stage of development.
- (g) the value of a Performance Right is dependent on assumptions relating to the date of grant, the Company's share price on that date, the assessed risk free rate and the assumed future share price volatility, to determine a value for the Performance Right using a probability simulation and adjusting the result for the likelihood that the applicable performance milestones may be achieved, however for the purposes of determining the number of Performance Rights to be issued to Messrs Spinks, Pett and Conidi, the Company has adopted the face value approach, using the price of the Company's Shares as at 9 October 2020 and assuming the performance milestones are ultimately achieved to enable vesting, resulting in a face value of 20 cents for each Performance Right;
- (h) the Performance Rights will be issued to the Related Parties (or their nominees) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued on a single date;
- (i) the issue price of the Performance Rights will be nil;
- (j) a summary of the material terms and conditions of the Incentive Performance Rights Plan is set out in Schedule 1;
- (k) no loan is being made to the Related Parties in connection with the acquisition of the Performance Rights;

- (l) details of any Performance Rights issued under the Incentive Performance Rights Plan will be published in the annual report of the Company relating to the period in which they are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- (m) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Incentive Performance Rights Plan after Resolutions 6, 7 and 8 are approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

7. RESOLUTION 9 – REPLACEMENT OF CONSTITUTION

7.1 General

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

Resolution 9 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares, updated to ensure it reflects the current provisions of the Corporations Act and Listing Rules.

This will incorporate amendments to the Corporations Act and Listing Rules since the current Constitution was adopted in November 2017.

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

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

- updating the name of the Company to that adopted in November 2019; and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

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

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website www.ecograf.com.au and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company via email at info@ecograf.com.au.

7.2 Summary of material proposed changes

Change of name

At the Company's annual general meeting held on 29 November 2019, Shareholders approved the change of the name of the Company to EcoGraf

Limited. Accordingly, the Proposed Constitution includes an update for the change of name from Kibaran Resources Limited to EcoGraf Limited.

Restricted Securities (clause 2.12)

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

No right to speak or vote if appointing Shareholder present (clause 13.28)

The appointment of a proxy is not revoked by the appointing Shareholder attending and taking part in the meeting, unless the appointing Shareholder actually votes at the meeting on the resolution for which the proxy is proposed to be used, in which case the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

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

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

Election of Directors (clause 14.3)

As a result of the amendments to Listing Rule 3.13.1, entities are required to release an announcement in advance of an annual general meeting which sets out the date (or indicative date) of the AGM and the closing date for the receipt of nominations from persons wishing to be considered as directors. The Proposed Constitution amends the closing date for the receipt of nominations of a proposed director from 30 Business Days to at least 30 days before the meeting.

Partial (proportional) takeover provisions (clause 36)

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

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

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

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

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

Reasons for proportional takeover provisions

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

Knowledge of any acquisition proposals

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

Potential advantages and disadvantages of proportional takeover provisions

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

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

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

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

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and

- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 9.

8. RESOLUTION 10 – APPROVAL OF 7.1A MANDATE

8.1 General

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 period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 10 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 10 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval. If Resolution 10 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

8.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to this Resolution 10:

(a) **Period for which the 7.1A Mandate is valid**

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) **Minimum Price**

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in (i) above, the date on which the Equity Securities are issued.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from any issue of Equity Securities under the 7.1A Mandate for the commercial development of its graphite businesses, related corporate purposes and general working capital.

(d) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive Shares under the issue.

If Resolution 10 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 9 October 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.10	\$0.20	\$0.30
			50% decrease	Issue Price	50% increase
Funds Raised					
Current	363,986,768 Shares	36,398,676 Shares	\$3,639,868	\$7,279,735	\$10,919,603
50% increase	545,980,152 Shares	54,598,015 Shares	\$5,459,802	\$10,919,603	\$16,379,405
100% increase	727,973,536 Shares	72,797,354 Shares	\$7,279,735	\$14,559,471	\$21,839,206

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or an issue with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 363,986,768 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 9 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no convertible security rights are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

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

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;

- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from financial advisers (if applicable).
- (f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 29 November 2019 (**Previous Approval**).

During the 12 month period preceding the date of the Meeting, being on and from 29 November 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

8.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 8.1.

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) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means EcoGraf Limited (ACN 117 330 757).

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.

Incentive Performance Rights Plan means the incentive performance rights plan to be adopted by the Company, being the subject of Resolution 5 as summarised in Schedule 1.

Managing Director means the managing director of the Company who may, in accordance with the Listing Rules, continue to hold office indefinitely without being re-elected to the office.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions.

Placement Shares has the meaning given in Section 3.1.

Proxy Form means the proxy form accompanying the Notice.

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

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

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

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

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

The material terms and conditions of the Incentive Performance Rights Plan (**Incentive Performance Rights Plan**) are summarised below:

- (a) **Eligibility:** Participants in the Incentive Performance Rights Plan may be:
- (i) a Director (whether executive or non-executive) of the Company or any associated body corporate (as defined in the Incentive Performance Rights Plan) of the Company (each, a **Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 as amended or replaced (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming a participant under subparagraphs (i), (ii), or (iii) above,

who is declared by the Board to be eligible to receive grants of Performance Rights under the Incentive Performance Rights Plan (**Eligible Participant**).

- (b) **Offer:** The Board may, from time to time, at its absolute discretion, make a written offer to any Eligible Participant to apply for Performance Rights, upon the terms set out in the Incentive Performance Rights Plan and upon such additional terms and conditions as the Board determines.
- (c) **Plan limit:** The Company must have reasonable grounds to believe, when making an offer, that the number of Shares to be received on exercise of Performance Rights offered under an offer, when aggregated with the number of Shares issued or that may be issued as a result of offers made in reliance on the Class Order at any time during the previous 3 year period under an employee incentive scheme covered by the Class Order or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, will not exceed 5% of the total number of Shares on issue at the date of the offer.
- (d) **Consideration:** Performance Rights granted under the Incentive Performance Rights Plan will be issued for nil cash consideration.
- (e) **Vesting conditions:** A Performance Right may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the offer for the Performance Right (**Vesting Conditions**).
- (f) **Vesting:** The Board may in its absolute discretion (except in respect of a change of control occurring where Vesting Conditions are deemed to be automatically waived) by written notice to a **Participant** (being an Eligible Participant to whom Performance Rights have been granted under the Incentive Performance Rights Plan or their nominee where the Performance Rights have been granted to the nominee of the Eligible Participant (**Relevant Person**)), resolve to waive any of the Vesting Conditions applying to Performance Rights due to:
- (i) special circumstances arising in relation to an Eligible Participant in respect of those Performance Rights, being:

- (A) a Relevant Person ceasing to be an Eligible Participant due to:
 - (I) death or total and permanent disability of a Relevant Person; or
 - (II) retirement or redundancy of a Relevant Person;
- (B) a Relevant Person suffering severe financial hardship;
- (C) any other circumstance stated to constitute “special circumstances” in the terms of the relevant offer made to and accepted by the Participant; or
- (D) any other circumstances determined by the Board at any time (whether before or after the offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant,

(Special Circumstances), or

- (ii) a change of control occurring; or
- (iii) the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

(g) Cash Equivalent Value Facility

- (i) Subject to the Corporations Act, the Listing Rules, the Incentive Performance Rights Plan and the terms of any offer, where all Vesting Conditions in respect of a Performance Right have been satisfied or waived, the Board may, in its absolute discretion, within 10 Business Days of receipt of a valid notice of exercise for a vested Performance Right, in lieu of issuing or transferring a Share to the Participant on exercise of the Performance Right, pay the Participant or his or her personal representative (as the case may be) a Cash Equivalent Value for the Performance Right exercised.
- (ii) A vested Performance Right automatically lapses upon payment of a Cash Equivalent Value in respect of the vested Performance Right.

(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 occurring;
- (ii) a Vesting Condition in relation to the Performance Right is not satisfied by its due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to waive the Vesting Condition and vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;
- (iii) in respect of an unvested Performance Right only, a Relevant Person ceases to be an Eligible Participant, unless the Board exercises its

discretion to vest the Performance Right in the circumstances set out in paragraph (f) or the Board resolves, in its absolute discretion, to allow the unvested Performance Rights to remain unvested after the Relevant Person ceases to be an Eligible Participant;

- (iv) in respect of vested Performance Rights only, a Relevant Person ceases to be an Eligible Participant and the Performance Rights granted in respect of that Relevant Person are not exercised within three (3) months (or such later date as the Board determines) of the date that Relevant Person ceases to be an Eligible Participant;
 - (v) the Board deems that a Performance Right lapses due to evidence of fraud, dishonesty or other improper behaviour of the Eligible Participant;
 - (vi) in respect of an unvested Performance Right, the Company undergoes a change of control or a winding up resolution or order is made, and the Performance Right does not vest; and
 - (vii) the expiry date of the Performance Rights.
- (i) **Not transferrable:** A Performance Right is not transferrable unless Special Circumstances (as defined in the Incentive Performance Rights Plan) apply and with the prior written consent of the Board (which may be withheld in its absolute discretion), or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the Participant's trustee in bankruptcy.
 - (j) **Shares:** Shares resulting from the vesting of the Performance Rights shall, subject to any sale restrictions (refer to paragraph (k)) from the date of issue, rank on equal terms with all other Shares on issue.
 - (k) **Sale restrictions:** the offer of Performance Rights may specify that a restriction period will apply to some or all of the Shares issued to a Participant on exercise of those Performance Rights (**Restriction Period**). In addition, the Board may, in its sole discretion, having regard to the circumstances at the time, waive any such Restriction Period.
 - (l) **Quotation of Shares:** If Shares of the same class as those issued under the Incentive Performance Rights Plan are quoted on the ASX, the Company will, subject to the Listing Rules, apply to the ASX for those Shares to be quoted on ASX within 10 Business Days of the later of the date the Shares are issued and the date any Restriction Period applying to the Shares ends. The Company will not apply for quotation of any Performance Rights on the ASX.
 - (m) **Deferral of conversion if resulting in a prohibited acquisition of Shares:** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and

- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (n) **No participation rights:** There are no participation 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.
- (o) **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.
- (p) **Reorganisation:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a Participant are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reorganisation.
- (q) **Amendments:** Subject to express restrictions set out in the Incentive Performance Rights Plan and complying with the Corporations Act, Listing Rules and any other applicable law, the Board may, at any time, by resolution amend or add to all or any of the provisions of the Incentive Performance Rights Plan, or the terms or conditions of any Performance Rights granted under the Incentive Performance Rights Plan including giving any amendment retrospective effect.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

A summary of the terms and conditions of the long-term incentive Performance Rights that are proposed to be issued to Messrs Spinks, Pett and Conidi is set out below:

- (a) **Milestone:** In order to vest, at least one of the following Performance Rights milestones must be achieved:
- (i) The Company announcing to the ASX that it has executed binding documentation for debt and/or equity funding to enable it to proceed with the construction of the commercial scale EcoGraf™ Processing Facility, with a planned initial phase production capacity of 5,000 tonnes per annum of purified spherical graphite; or
 - (ii) The Company announcing to the ASX that it has executed binding documentation for the debt financing of the Epanko Graphite Mine in Tanzania; or
 - (iii) The Company achieving and announcing to the ASX an increase in market capitalisation of the Company by at least 30% with effect from the date of the Annual General Meeting on 25 November 2020, measured by the volume weighted average price (**VWAP**) of the Company's shares over the 10 Business Days leading up to 25 November 2020, compared to the VWAP of the Company's shares over any consecutive 10 Business Days thereafter up to the Vesting Deadline (by way of example, based on the Company's share price as at 9 October 2020 of 20 cents, a 30% increase in the market capitalisation is A\$21,839,206 resulting in a total market capitalisation of A\$94,636,560),
(Milestone).
- (b) **Vesting Deadline:** The Milestone must be satisfied by no later than 1 month prior to the Expiry Date of the Performance Rights.
- If the Milestone has not been achieved by the Vesting Deadline, then the Performance Rights will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event the relevant Milestone is met before the relevant Vesting Deadline and the Shares the subject of a conversion are deferred in accordance with paragraph (i) below or any other regulatory requirement.
- (c) **Notification to holder:** The Company shall notify the holder in writing when the Milestone has been satisfied.
- (d) **Conversion:** Upon vesting, each Performance Right will, at the election of the holder, convert into one Share.
- (e) **Expiry Date:** Each Performance Right shall expire five (5) years after the date of issue (**Expiry Date**).
- (f) **Application to ASX:** The Performance Rights will not be quoted on the ASX. The Company must apply for the official quotation of the Shares issued on conversion of the Performance Rights within the time period required by the Listing Rules.
- (g) **Reorganisation of capital:** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of

a holder will be changed in a manner consistent with the applicable Listing Rules and the Corporations Act at the time of reorganisation.

- (h) **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.
- (i) **Change in control:** Subject to deferral of conversion if such conversion would result in a contravention of section 606(1) of the Corporations Act, upon:
 - (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder; or
 - (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies; or
 - (iii) in any other case, a person obtains Voting Power in the Company which the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring that Voting Power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board,

the Vesting Conditions (unless an Offer provides otherwise) are deemed to be automatically waived.

- (j) **Plan:** The terms of the Performance Rights are supplemented by and are otherwise on the terms of the Company's Incentive Performance Rights Plan (summarised in Schedule 1).

ANNEXURE A – NOMINATION OF AUDITOR

16 October 2020

The Company Secretary
EcoGraf Limited
Level 1/ 18 Richardson Street
West Perth WA 6005

Dear Sir or Madam,

Nomination of Auditor

I am a shareholder of EcoGraf Limited.

For the purposes of section 328B(1) of the *Corporations Act 2001* (Cth) (the **Corporations Act**), I hereby nominate RSM Australia Partners of Level 32, Exchange Tower, 2 The Esplanade, Perth, WA 6000 to be appointed as auditor of the Company at the annual general meeting of EcoGraf Limited to be held on 25 November 2020.

Please distribute copies of this notice of nomination as required by section 328B(1) of the Corporations Act.

Your sincerely,



Andrew Spinks



ABN 15 117 330 757

P + 61 8 6424 9000 / **E** info@ecograf.com.au

ASX: EGR **FSE:** FMK

www.ecograf.com.au



LODGE YOUR VOTE**ONLINE**www.linkmarketservices.com.au**BY MAIL**EcoGraf Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia**BY FAX**

+61 2 9287 0309

**BY HAND**Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138**ALL ENQUIRIES TO**

Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (WST) on Monday, 23 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged via mail or:

**ONLINE**www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM**YOUR NAME AND ADDRESS**

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

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

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

I/We being a member(s) of EcoGraf Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (WST) on Wednesday, 25 November 2020 at the Celtic Club, 48 Ord Street, West Perth, Western Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 5 - 8: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 5 - 8, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions before marking any boxes with an .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – John Conidi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Prior Issue of Shares – 28 May 2020 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Adoption of Incentive Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Issue of Incentive Performance Rights to Director – Andrew Spinks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Issue of Incentive Performance Rights to Director – Robert Pett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Issue of Incentive Performance Rights to Director – John Conidi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

EGR PRX2001D





26 October 2020

Dear Shareholder

NOTICE OF ANNUAL GENERAL MEETING

EcoGraf Limited (ACN 117 330 757) ("**EcoGraf**" or the "**Company**") (ASX: **EGR**) is convening its Annual General Meeting on Wednesday, 25 November 2020 at 10:00 am (AWST).

In accordance with temporary modifications to the *Corporations Act 2001* (Cth) under the Corporations (Coronavirus Economic Response) Determination (No 3) 2020, the Company will not be sending hard copies of the Notice of Meeting to Shareholders. The Notice of Meeting can be viewed and downloaded from the Company's website at https://www.ecograf.com.au/investor_categories/announcements/.

As you have not elected to receive notices by email, a copy of your personalised Proxy Form is enclosed for your convenience. Shareholders are encouraged to submit their proxy vote online or by returning the form in accordance with the instructions on the Proxy Form.

The Company strongly encourages Shareholders to lodge a directed proxy form prior to the meeting. Your proxy vote must be received by 10:00 am (AWST) on Monday, 23 November 2020 and any proxy vote received after that time will not be valid for the meeting.

The Notice of Meeting should be read in its entirety. If you are in doubt as to how you should vote, please seek advice from your professional advisers prior to voting. If you have any questions about the meeting and voting arrangements, please email the Company Secretary at info@ecograf.com.au.

Yours sincerely
EcoGraf Limited

Howard Rae
Chief Financial Officer and Company Secretary