

Energy Technologies Ltd (ASX:EGY)

ACN 002 679 469

Notice of Annual General Meeting and Explanatory Notes

Date of meeting: 29 November 2021

Time of meeting: 10:30 am

Place of meeting: Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100 and
online

Due to the ongoing COVID-19 pandemic, Shareholders will be given the opportunity to attend the Meeting either in person or virtually via Zoom. If you are a Shareholder who wishes to attend and participate in the Meeting via Zoom please register in advance as per the instructions outlined in this Notice of Meeting.

Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER.

TO BE VALID, FORMS OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY NO LATER THAN 10:30AM SYDNEY TIME ON THURSDAY 25 NOVEMBER 2021

Energy Technologies Limited
ACN 002 679 469
Notice of Annual General Meeting

Notice is hereby given that the **Annual General Meeting** of the members of **Energy Technologies Limited** (the **Company**) to be held at Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100 on 29 November 2021 at **10:30 am** (Sydney time).

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Company at the time of preparing this Notice of General Meeting (**Notice**), the Company is also providing an opportunity to participate in the Meeting virtually via Zoom at the link set out below:

<https://us06web.zoom.us/j/84691483358?pwd=MHhJR255MDNjSE9pUVF3emZ1MUo0UT09>
Meeting ID: 846 9148 3358 Passcode: 222407

When: Monday, 29 November 2021 at 10:30 AM (AEDT)

All resolutions will be conducted by way of a poll.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the Meeting virtually will be able to ask questions and cast their votes on the proposed resolution at the Meeting. Shareholders who intend to join the Meeting via Zoom are asked to dial-in 30 minutes prior to the start of the Meeting to allow the Company to take your details.

The Company welcomes any questions submitted prior to the Meeting by email to greg.knoke@energytechnologies.com.au. Where a written question is raised in respect of the resolutions to be considered at the Meeting or the Key Management Personnel of the Company, the Company will address the relevant question during the course of the Meeting or by written response after the Meeting (subject to the discretion of the Company it will not respond to unreasonable and/or offensive questions).

Shareholders should monitor EGY's website or the ASX's EGY page for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available via the ASX as required and through its website at <https://www.energytechnologies.com.au>.

ENERGY TECHNOLOGIES LIMITED

ACN 002 679 469

The attached Explanatory Notes are provided to supply Shareholders with information to allow them to make an informed decision regarding the Resolutions set out in this Notice of Meeting. The Explanatory Notes are to be read in conjunction with this Notice.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

BUSINESS OF THE MEETING

ORDINARY BUSINESS

1. Address by the Chairman

2. Financial Statements and Reports

To receive and consider the Audited Financial Statements of the Company, Remuneration Report and the Reports of the Directors and Grant Thornton Audit Pty Ltd as the auditor of the Company (**Auditor**), for the year ended 30 June 2021.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's Annual Financial Report.

A representative of the Auditor will be present at the Meeting and Shareholders will have an opportunity to ask the Auditor's representative questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies, and the independence of the auditor.

The Company's 2021 Annual Report can be viewed online at the Company's website www.energytechnologies.com.au on the "Corporate Governance" page under "EGY Annual Report".

3. Remuneration Report (Resolution 1):

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

"That the remuneration report for the year ended 30 June 2021 be adopted in accordance with section 250R(2) of the Corporations Act."

Further details in respect of Resolution 1 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

4. Election of Director (Resolution 2):

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

"That for the purpose of ASX Listing Rule 14.4, Article 10.04 of the Company's Constitution and for all other purposes, Mr Brian Jamieson, who holds office until the conclusion of the general meeting in accordance with Article 10.04 of the Company's Constitution, and being eligible, offers himself for election, be elected as a Director of the Company."

Further details in respect of Resolution 2 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

5. Election of Director (Resolution 3):

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

"That for the purpose of ASX Listing Rule 14.4, Article 10.04 of the Company's Constitution and for all other purposes, Mr Anthony Lloyd Smith, who holds office until the conclusion of the general meeting in accordance with Article 10.04 of the Company's Constitution, and being eligible, offers himself for election, be elected as a Director of the Company."

Further details in respect of Resolution 3 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

6. Election of Director (Resolution 4):

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

“That for the purpose of ASX Listing Rule 14.4, Article 10.04 of the Company's Constitution and for all other purposes, Mr Ian Alistair Campbell, who holds office until the conclusion of the general meeting in accordance with Article 10.04 of the Company's Constitution, and being eligible, offers himself for election, be elected as a Director of the Company.”

Further details in respect of Resolution 4 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

7. Re-election of Director (Resolution 5):

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

“That for the purpose of ASX Listing Rule 14.4, Article 10.02 of the Company's Constitution and for all other purposes, Mr Matthew Driscoll, who retires in accordance with Article 10.02(1) of the Company's Constitution, and being eligible, offers himself for re-election, be elected as a Director of the Company.”

Further details in respect of Resolution 5 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

SPECIAL BUSINESS

8. Share Option Plan Approval (Resolution 6)

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

“That the Shareholders approve for the purposes of ASX Listing Rule 7.2 Exception 13(b) and for all other purposes, a Share Option Plan as described in the Explanatory Notes accompanying this Notice of Meeting, and the grant of options over securities of the Company from time to time under the Share Option Plan.”

Further details in respect of Resolution 6 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

9. The ratification of the issue of ordinary Shares (Resolution 7)

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, the issue of twenty one million, four hundred and forty thousand, nine hundred and forty three (21,440,943) fully paid ordinary Shares in the Company to sophisticated and professional investors under a Share placement for the price of eight cents (\$0.08) per Share, which issue occurred on 23 December 2020, is ratified.”

Further details in respect of Resolution 7 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

10. Issue of options over ordinary Shares (Resolution 8)

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 7.1, and for all other purposes, approval is given to the Company to issue nine million (9,000,000) options over ordinary Shares in the Company at twenty cents (\$0.20) per share to PAC Partners Securities Pty Limited or its nominees.”

Further details in respect of Resolution 8 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

11. Issue of options over ordinary Shares (Resolution 9)

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 7.1, and for all other purposes, approval is given to the Company to issue eight hundred thousand (800,000) options over ordinary

Shares in the company at eleven point two cents (\$0.112) per Share to Cashel Financial Services Pty Ltd's nominee Jengus Holdings Pty Ltd <Jengus Super Fund A/C>."

Further details in respect of Resolution 9 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

12. Issue of options over ordinary Shares (Resolution 10)

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 10.14, approval is given for the granting of 3,422,429 options to the non-executive directors of the Company under the Share Option Plan (SOP), as set out in the Explanatory Memorandum."

Further details in respect of Resolution 10 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

13. The approval under Listing Rule 7.1A to issue additional Shares in the Company over the next twelve months (Resolution 11)

To consider and if thought fit to pass (with or without amendment) the following resolution as a **special resolution**:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve an additional capacity of the Company to issue Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Notes."

Further details in respect of Resolution 11 are set out in the Explanatory Notes accompanying this Notice of Annual General Meeting.

By order of the Board and Directors of the Company



Gregory Knoke
Company Secretary
28 October 2021

Notes:

Entitlement to Vote

For the purposes of section 1074E(2)(g)(i) of the Corporations Act and the Corporations Regulation 7.11.37, the Board has determined that in relation to the Annual General Meeting being convened by this Notice, shares will be taken to be held by the persons who are registered holders at 7.00 pm (Sydney time) on 25 November 2021.

Accordingly Share transfers registered after that date will be disregarded in determining entitlements to attend and vote at the Meeting.

Voting at the meeting

You may vote by participating in the Meeting (be it via Zoom or in person) or by appointing an attorney or corporate representative to participate in the Meeting and vote for you. Alternatively, Shareholders who are entitled to vote at the Meeting may vote by appointing a proxy to participate and vote on their behalf, using the Proxy Form accompanying this notice or by appointing a proxy online.

Voting in person virtually

Shareholders wishing to vote via Zoom, or their attorneys or in the case of a Shareholder or proxy which is a corporation, corporate representatives, must log in online to participate in the Meeting to be held at 10:30am (Sydney time) on 29 November 2021 by going to site at the following link:

<https://us06web.zoom.us/j/84691483358?pwd=MHhJR255MDNjSE9pUVF3emZ1MUo0UT09>

Shareholders, their attorneys (or in the case of Shareholders or proxies which are corporations, corporate representatives), who plan to participate in the Meeting via Zoom should log in online 30 minutes prior to the time designated for the commencement of the Meeting, if possible, to register.

Voting by attorney

If you wish to appoint an attorney to vote at the Meeting the original or a certified copy of the power of attorney under which the attorney has been appointed must be received by the Company Secretary no later than 10:30am (Sydney time) on 25 November 2021 (or if the Meeting is adjourned or postponed, no later than 48 hours before the resumption of the Meeting in relation to the resumed part of the Meeting).

Any power of attorney granted by a Shareholder will, as between the Company and that Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant Shareholder is lodged with the Company.

Your appointment of an attorney does not preclude you from logging in online or attending in person, and participating and voting at the Meeting. The appointment of your attorney is not revoked merely by your participation and taking part in the Meeting, but if you vote on a resolution, the attorney is not entitled to vote, and must not vote, as your attorney on that resolution.

Voting by proxy

Shareholders wishing to appoint a proxy to vote on their behalf at the Meeting must either complete and sign or validly authenticate the personalised Proxy Form which accompanies this Notice of Meeting. A person appointed as a proxy may be an individual or a body corporate.

Completed Proxy Forms must be delivered to the Company Secretary by 10:30am (Sydney time) on Thursday, 25 November 2021 in any of the following ways:

By mail to:

The Company Secretary
Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100

by email to:

greg.knoke@energytechnologies.com.au

A proxy need not be a Shareholder.

If you appoint a proxy and subsequently wish to attend the meeting yourself, the proxy will retain your vote and you will be unable to vote yourself unless you notify the Company Secretary of the revocation of your proxy appointment before the commencement of the Meeting. You may notify the Company Secretary by calling (02) 9938 5622.

If a proxy appointment is signed by a Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman will act as proxy.

You are entitled to appoint up to two proxies to participate in the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy you must specify the names of each proxy and the percentage of votes or number of securities for each proxy on the Proxy Form. Replacement Proxy Forms can also be obtained from the Share Registry or the Company Secretary.

If you hold Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.

Corporate Representation

If your holding is registered in a company name and you would like to attend the meeting in person (and do not intend to return a proxy form), please bring with you to the meeting a duly completed Appointment of Corporate Representative Form to enable you to attend and vote at the Annual General Meeting.

Alternatively, if you intend to attend the meeting via Zoom, please complete the Appointment of Corporate Representative Form must be delivered to the Company Secretary by 10:30am (Sydney time) on Thursday, 25 November 2021 as follows:

By mail to:

The Company Secretary
Unit J, 134-140 Old Pittwater Road, Brookvale NSW 2100

The appointment of a representative may set out restrictions on the representative's powers. The appointment must comply with section 250D of the Corporations Act.

The original Appointment of Corporate Representative Form, a certified copy of the form, or a certificate of the body corporate evidencing the appointment of a representative is prima facie evidence of a representative having been appointed.

Undirected Proxies

If a Shareholder nominates the Chairman of the Meeting as that Shareholder's proxy, the person acting as Chairman of the Meeting must act as proxy under the appointment in respect of any or all items of business to be considered at the Meeting.

If a proxy appointment is signed or validly authenticated by that Shareholder but does not name the proxy or proxies in whose favour it is given, the Chairman of the Meeting will act as proxy in respect of any or all items of business to be considered at the Meeting.

Proxy appointments in favour of the Chairman of the Meeting, the Company Secretary or any Director which do not contain a direction as to how to vote will be voted in favour of the resolution at the Meeting.

The Chairman intends to vote undirected proxies of which the Chairman is appointed as proxy in favour of the resolutions.

Questions and comments by Shareholders at the Meeting

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Auditor in relation to the conduct of the external audit for the year ended 30 June 2021, or the content of its audit report. Please send your questions via email to:

Greg Knoke
Company Secretary
Energy Technologies Limited
greg.knoke@energytechnologies.com.au

Written questions for the Company's Auditor must be received by no later than 5.00pm (Sydney time) on 23 November 2021. A representative of the Auditor will provide answers to the questions at the Meeting.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Notes.

In accordance with the Corporations Act and the Company's policy, a reasonable opportunity will also be provided to Shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Company's Remuneration Report for the year ended 30 June 2021.

During the course of the Annual General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the Auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

For and on behalf of the Board of Directors



Gregory Knoke
Company Secretary
28 October 2021

Voting Exclusion Statements

Resolution 1 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company will disregard any votes cast on Resolution 1 (Remuneration Report) by or on behalf of a member of the Key Management Personnel of the Company details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member of the Key Management Personnel (each an **Excluded Shareholder**).

However, the Company need not disregard a vote if:

- it is cast by a person as a proxy, appointed in writing that specifies how the proxy is to vote on the proposed resolution (i.e. a directed proxy) and the vote is not cast on behalf of an Excluded Shareholder; or
- it is cast by the Chairman as a proxy of a person who is not an Excluded Shareholder, where the appointment does not specify how the Chairman is to vote, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or the consolidated entity; or
- it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Accordingly, members entitled to vote on Resolution 1 (Remuneration Report), who appoint as their proxy, a member of the Key Management Personal (**other than** the Chairman) of the Meeting (or Closely Related Parties of such persons), should direct their proxy as to how to vote. Failing to direct the proxy may result in that member's vote on Resolution 1 (Remuneration Report) being disregarded.

Resolution 6 - Share Option Plan Approval

In accordance with the ASX Listing Rules, in respect of Resolution 6 (Share Option Plan Approval), the Company will disregard any votes cast on the resolution by or on behalf of:

- any Director of the Company or any other person who is eligible to participate under the Share Option Plan; and
- an associate of any of those parties.

However, votes will not be disregarded if cast by:

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

Voting Prohibition:

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

- the proxy is either:
 - a member of the KMP or a Director of the Company; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
 - the proxy is the Chair of the Meeting; and
 - the appointment expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

Resolution 7 – the ratification of the issue of ordinary shares under Share Placement

In accordance with the Corporations Act and ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 7 by any persons who participated in, or who obtained a material benefit from the placement as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associate of those persons.

However, votes will not be disregarded if cast by or on behalf of:

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

Resolution 8 – the issue of options over ordinary shares

In accordance with the Corporations Act, and the ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 8 by PAC Partners Securities Pty Ltd (or nominee) or any associate of PAC Partners Securities Pty Ltd or nominee.

However, votes will not be disregarded if cast by or on behalf of:

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

Resolution 9 – the issue of options over ordinary shares

In accordance with the Corporations Act, and the ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 9 by Cashel Financial Services Pty Ltd, Jengus Holdings Pty Ltd <Jengus Super Fund A/C> (or nominees) or any associate of Cashel Financial Services Pty Ltd, Jengus Holdings Pty Ltd <Jengus Super Fund A/C>, or nominee.

However, votes will not be disregarded if cast by or on behalf of:

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

Resolution 10 – the issue of options over ordinary shares under Share Option Plan

In accordance with the Corporations Act, and the ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 10 by Directors Brian Jamieson, Anthony Lloyd Smith, Ian Alistair Campbell and Matthew Driscoll, or nominee.

However, votes will not be disregarded if cast by or on behalf of:

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

Voting Prohibition:

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

- the proxy is either:
 - a member of the KMP or a Director of the Company; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.
- However, the above prohibition does not apply if:
 - the proxy is the Chair of the Meeting; and
 - the appointment expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the KMP for the Company.

Explanatory Notes

These are the Explanatory Notes for the shareholders of Energy Technologies Limited (**Company**) for the Annual General Meeting to be held on 29 November 2021. The Explanatory Notes explain the items of business to be considered at the Meeting and are provided to assist Shareholders in their consideration of the proposed Resolutions 1 to 11 inclusive, contained in the Notice of Meeting, and form part of that Notice of Meeting.

Financial Statements and Reports

The *Corporations Act 2001 (Cth)* (**Corporations Act**) requires the financial report, directors' report and auditor's report to be laid before the Meeting. There is no requirement either in the Corporations Act or the Company's Constitution for members to vote on, approve or adopt these reports.

Shareholders will have a reasonable opportunity at the Meeting to ask the Chairman questions and make comments on the business, operations and management of the Company. The auditor of the Company will also be available to take Shareholders' questions and comments about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Auditor about the conduct of the audit of the financial report and the preparation and content of the auditors' report, may be submitted no later than five days before the day on which the Meeting is held (i.e. no later than 23 November 2021) to:

The Company Secretary
Energy Technologies Limited
Unit J, 134-140 Old Pittwater Road
Brookvale NSW 2100
greg.knoke@energytechnologies.com.au

The Company will pass all written questions on to the Auditor. The Auditor will prepare and provide to the Company a question list which sets out the questions that the Company has passed on to the auditor and that the Auditor considers to be relevant to the conduct of the audit of the financial report or the content of the Auditor's report. Please note that a question may not be included in the question list if the question list includes a question that is substantially the same as that question or if it is not practicable to include the question in the question list because of the time when the question is passed on to the Auditor.

There is no requirement for the Auditor to provide written answers to the questions, however, if the Auditor chooses to prepare written answers to any of the questions, the Chairman may permit the Auditor to table the written answers at the Meeting. The Auditor will also answer questions asked at the Meeting, however where questions concern issues raised in the written questions, the Auditor may refer members to the written answers (if any). For the benefit of the Meeting, the Auditor will briefly outline to the Meeting the matters covered in the written questions.

Resolution 1: to adopt the Remuneration Report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2021. The Corporations Act also requires that the Remuneration Report be adopted at the Meeting by a resolution. While there is a requirement for a formal resolution, the Shareholders' vote is advisory only and does not bind the Company, nor will it require the Company to alter any arrangements detailed in the Remuneration Report should the resolution not be passed.

The Remuneration Report is set out on pages 13 to 18 of the Company's 2021 Annual Report. (*The Annual Report is available on the Company's website at www.energytechnologies.com.au*). The Remuneration Report explains the structure of and policy behind, EGY's remuneration practices and the link between the remuneration of employees and the Company's performance. The Report also sets out remuneration details of each Director and for any specified executive. A Remuneration Committee has been established to evaluate and make recommendations to the Board regarding remuneration policy. Shareholders will have a reasonable opportunity at the Meeting to ask questions and make comments on the Remuneration Report.

Sections 250U to 250Y of Corporations Act provide for a 'two strikes and re-election' process in relation to the Shareholder vote on the Remuneration Report as follows:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report must contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the Company's next annual general meeting also receives a 'no' vote of 25% or more. If this occurs, Shareholders will vote at that annual general meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the **spill resolution**). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a first strike.

The Board abstains from making a recommendation in relation to shareholders voting on Resolution 1.

Resolutions 2, 3 and 4: Election of Directors

Proposed resolutions

Resolution 2 seeks the election of Mr Brian Jamieson as Director of the Company.

Resolution 3 seeks the election of Mr Anthony Lloyd Smith as Director of the Company.

Resolution 4 seeks the election of Mr Ian Alistair Campbell as Director of the Company.

Background

ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the entity. It also provides that an entity must hold an election of directors each year. These provisions are substantively replicated in Article 10.04 of the Company's Constitution.

Each of Mr Jamieson Mr Smith, and Mr Campbell were initially appointed to the Board on 24 December 2020 to fill casual vacancies. Each will hold office until the conclusion of the general meeting pursuant to Article 10.04 of the Constitution, and being eligible to be elected as a director of the Company, each offers himself for election.

Brian Jamieson (Chairman – Non-Executive Director) Appointed 24 December 2020

Mr Jamieson has over 40 years' experience in the advisory, manufacturing, resources and technology industries in Australia and offshore. Mr Jamieson was Chief Executive of Minter Ellison Melbourne from 2002-2005. Prior to joining Minter Ellison, Mr Jamieson was Chief Executive Officer at KPMG Australia from 1998-2000, Managing Partner of KPMG Melbourne and Southern Regions from 1993-1998 and Chairman of KPMG Melbourne from 2001- 2002. Prior to the merger of Touche Ross & Co and Peat Marwick Hungerfords to form KPMG, Mr Jamieson was the Managing Partner for Australia for Touche Ross & Co. He has over 40 years' experience in providing advisory and audit services to a diverse range of public and large private companies. He is also a Fellow of the Institute of Chartered Accountants in Australia and New Zealand and a Fellow of the Australian Institute of Company Directors.

Mr Jamieson is currently Non-Executive Director of IODM Limited and is currently a Non-Executive Director of Highfield Resources Limited. Mr Jamieson was formerly Non-Executive Chairman of Sigma Healthcare Limited (resigned 13 May 2020), Non-Executive Chairman of Mesoblast Limited (resigned 31 March 2019), Non-Executive Director of Oxiana/OZ Minerals Limited from 2005 to 2015 and served as Chairman of Audit Risk and Compliance, Nomination and Remuneration, and Due Diligence Committees. He was a Non-Executive Director of Tatts Group Limited from 2005 to December 2017 and served as the Chairman of Audit and Risk Committee, Chairman of the Due Diligence Committee and member of the Remuneration Committee. He was also a Non-Executive Director of ASX listed Tigers Realm Coal from 2010 to 2015 and chaired various committees.

If Shareholders do not give their approval for Resolution 2, Mr Jamieson will cease to be a Director following the meeting.

Anthony Lloyd Smith (Non-Executive Director) Appointed 24 December 2020

Mr Smith has over 30 years' experience in finance with a variety of firms concentrating on small to medium sized companies in regard to corporate finance, institutional research sales and private wealth advice. During this time, he was charged with running these businesses along with titles of Head of Securities and Country Director of Austock Group and Phillip Capital. Mr Smith currently handles the investments at Cashel Family Office, a Melbourne based multi-family office company.

Mr Smith is currently Non-Executive Director of IODM Limited.

If Shareholders do not give their approval for Resolution 3, Mr Smith will cease to be a Director.

Ian Alistair Campbell (Non-Executive Director) Appointed 24 December 2020

Mr Campbell joined Olex Cables in 1989 as Group General Manager and then as Managing Director of the Pacific Dunlop Cables Group until 1998.

In 1998 Mr Campbell joined ASX-200 listed GUD Holdings Ltd as its Managing Director and CEO until his retirement in mid-2013. GUD managed a stable of consumer, trade and industrial businesses. It was a diverse portfolio of branded manufactured or sourced products selling to the retail, trade wholesale and B-to-B sectors. Companies in the GUD stable during his tenure were Sunbeam appliances, Oates cleaning, Victa Lawn care (divested in 2007), Davey Water Products, Lock Focus, Ryco and Wesfil automotive, and Dexion storage solutions. Mr Campbell joined the BWX board in 2015 and was appointed Chairman in September 2018.

Mr Campbell has been a non-executive director of Mirrabooka Investments Ltd since 2007. He was formerly a national councillor and Victorian Vice-President of the Australian Industry Group.

If Shareholders do not give their approval for Resolution 4, Mr Campbell will cease to be a Director.

Board recommendation

Resolution 2 - The Directors (other than Mr Jamieson, who abstains) recommend that you vote in favour of this Resolution.

Resolution 3 - The Directors (other than Mr Smith, who abstains) recommend that you vote in favour of this Resolution.

Resolution 4 - The Directors (other than Mr Campbell, who abstains) recommend that you vote in favour of this Resolution.

Resolution 5: Re-election of Director

Proposed resolution

Resolution 5 seeks the re-election of Mr Matthew Driscoll as Director of the Company.

Background

ASX Listing Rule 14.5 requires that the Company hold an election of Directors each year. Article 10.02(1) of the Constitution of the Company also requires one third of the Directors (other than the managing Director) to retire from office at each annual general meeting, together with any Director who has held office without re-election for three or more years.

Mr Matthew Driscoll was initially appointed to the Board in 2016. Mr Driscoll retired pursuant to Article 10.02(1) of the Company's Constitution, he was re-elected on 30 November 2017 (being the date the Company's 2017 Annual General Meeting was held), and again was re-elected on 18 November 2020 (being the date the Company's 2020 Annual General Meeting was held). He retires, in accordance with the provisions of the Constitution (as he is the only director with respect to whom the rotation rules noted above apply, as the other directors of the Company are filling in a position of vacancy), and offers himself for reappointment.

Matthew Driscoll BA, Dip Ed, Grad. Dip. App Fin. SF Fin., MSA, GAICD (Non- Executive Director) Appointed 20 December 2016.

Mr Driscoll has significant experience across several industries, including online technologies, financial services, fintech, property and resources. He has more than 30 years' experience in capital markets and the financial services industry and is an accomplished company director in roles across listed and private companies. He has significant experience in international business growth, mergers and acquisitions, equity and debt raisings and building strategic alliances, and remains committed to ethical, commercial and consumer-based outcomes.

Other Current Directorships: Chairman Carbonxt Group Ltd (CG1), Chairman Tennant Minerals Ltd (TMS), Chairman. Smoke Alarms Holdings. Former Directorships (last 3 years): Chairman, Powerwrap Limited (PWL).

If Shareholders do not give their approval for Resolution 5, Mr Driscoll will cease to be a Director.

Board recommendation

The Directors (other than Mr Driscoll, who abstains) recommend that you vote in favour of this Resolution.

Resolution 6: Share Option Plan Approval

Proposed resolution

Resolution 6 seeks the approval of the Company's proposed Share Option Plan (**SOP**).

Background

In 2008 the Board established the SOP to provide the Company with flexibility in its remuneration arrangements for employees.

Rule 7.1 of the ASX Listing Rules restricts the Company from issuing Equity Securities equal to more than 15% of the ordinary Equity Securities on issue in a 12 month period without shareholder approval, unless an exception applies. The Company has not exceeded this 15% limit.

ASX Listing Rule 7.2 contains a number of exceptions to the 15% limit in Listing Rule 7.1, allowing specified issues of securities to be excluded when calculating the 15% maximum. One exception is issues approved by shareholders under an employee share plan (exception 13(b)). This exception applies for three years from the date of approval.

The SOP is an employee option plan of the type contemplated by exception 13(b) of ASX Listing Rule 7.2. Approval of Shareholders was sought and obtained in November 2008, November 2011, November 2014, November 2017 and in November 2020 for the SOP.

The Board is seeking to update the existing SOP as approved by shareholders in November 2020. Accordingly, as required by the ASX Listing Rules, the Board is again seeking Shareholder approval for future grants of options (**Options**) made under the revised SOP, and Shares issued on the exercise of those Options for the next 3 years so that such grants are excluded from the 15% calculation under Listing Rule 7.1.

The Company would retain the ability to grant Options and Shares under the terms of the SOP after Shareholder approval has been sought, irrespective of whether Shareholders vote in favour of or against Resolution 6. The difference will be whether the grants of Options under the SOP after that time must be counted in the 15% limit or not.

Even where approval is obtained, under the ASX Listing Rules, any proposed grant of Options under the SOP to a Director or certain persons associated with any Director of the Company would separately require approval of Shareholders in general meeting.

The maximum number of Equity Securities proposed to be issued under the scheme following the approval will be capped at 13,613,761. The Company does not in any event intend, at this point in time, to grant any additional Options under the SOP to any eligible participant, whether a Director of the Company, associate of a Director of the Company or any other eligible person (other than as set out in this Notice), but is seeking approval from Shareholders now so that maximum flexibility can be maintained.

The ASX Listing Rules require the Notice of Meeting relating to the Annual General Meeting at which Shareholders are required to consider a resolution to approve securities issues made by the Company pursuant to exception 13(b), to include certain specified information regarding those securities issues. This information is set out below.

Listing Rule 7.2, Exception 13(b)

In accordance with Listing Rule 7.2, exception 13(b), the Company provides the following information in relation to the SOP.

A summary of the terms of the SOP

A summary of the main terms and conditions of the SOP appear below. Copies of the SOP Rules are available on request to the Company Secretary.

1. Offers and Applications

The Board has discretion, subject to SOP rules, the Law and ASIC CO 14/1000, to offer Options and/or Performance Rights to any Eligible Participant from time to time.

2. Eligible Participants

Eligible Participants include (subject to applicable Laws), (a) where an Offer is made under ASIC CO 14/1000, (i) full-time or part-time employee (including an executive director); (ii) non-executive director; (iii) contractor; (iv) casual employee; (v) prospective participant; and (b) where the Offer is not made under ASIC CO 14/1000 but pursuant to section 708 of the Corporations Act, an executive director or

any of the parties listed in paragraphs (a)(i)-(v), of one or more Company group members selected by the Board to participate in the SOP or, where applicable, the nominated party of an Eligible Participant that is approved by the Board in accordance with the SOP.

3. Form of Offer

An offer must be made in an offer document, setting out the details of the offer, including (a) the date of the offer; (b) the name and address of the Eligible Participant to whom the offer is made; (c) the final date for accepting the offer; (d) the maximum number of Options and Performance Rights which the Eligible Participant may apply for; (e) and other details relating to the offer including any issue price or exercise price, details of any attaching vesting conditions applicable, details of the exercise period or expiry date applicable to the Options the subject of the offer, as well as a copy of the SOP and other appropriate statements required under the SOP or under the Law.

An offer may be accepted in accordance with the terms of the offer. An Eligible Participant may, by notice in writing to the Board, nominate a party to participate in the offer subject to the Board's discretion and any applicable rules. However, an offer under the SOP is personal and can only be accepted by the Eligible Participant to whom the offer is made.

4. Quotation

Options and Performance Rights will not be quoted on ASX. However, in accordance with Listing Rules, the Company will apply to ASX for official quotation of any shares issued under the SOP (including pursuant to the exercise of Options and vesting of Performance Rights).

5. No vesting conditions specified in offer

If vesting conditions or vesting events are not specified in an offer the following vesting conditions apply to any Options or Performance Rights offered under the Plan:

- (a) the Options or Performance Rights (as the case may be):
 - (i) only vest while the Eligible Participant remains employed with the Company group, continues to provide consulting services to a Company group member or acts as a director of a Company group member (as applicable); and
 - (ii) cease to vest for the duration of any unpaid leave of absence. If the unpaid leave period includes part of a month, no vesting will occur in that month.
- (b) in the case of Options, the Options vest:
 - (i) in respect of 25% of the Options the subject of an Offer, on the date which is 12 months after the issue date of the Options (Year 1), and
 - (ii) in respect of the remaining 75% of the Options the subject of the Offer, on a quarterly basis over the 3 year period after the end of Year 1 (i.e. 1/12th of the remaining Options vest at the end of each quarter following the end of Year 1); and
- (c) in the case of Performance Rights, the Performance Rights shall vest once performance measures determined by the Board from time to time are satisfied.

6. Dividend and Voting Rights

Options and Performance Rights do not carry any voting rights or entitlements to dividends.

7. Dealings with Options and Performance Rights

In addition to the requirements set out under the Company's Securities Trading Policy, the SOP imposes certain 'no dealing' and 'no hedging' obligation on participants.

8. Entitlement

All shares issued on exercise of Options or vesting of Performance Rights in accordance with the SOP will: (a) be issued as fully paid; (b) be free of any Encumbrance; and (c) rank equally in all respects with the other Shares on issue in the Company.

9. Lapse of Options of Performance Rights

Unless otherwise specified in the vesting conditions or vesting events applicable to an Option or Performance Right or determined otherwise by the Board an Option or a Performance Right will lapse on the earlier of:

- (a) the Board determining that a vesting condition or vesting event applicable to an Option or Performance Right has not been satisfied, reached or met or is not capable of being satisfied;
- (b) the day immediately following the applicable expiry date; or
- (c) the Option or Performance Right otherwise lapsing under the SOP for example due to a breach of the 'no dealing' provisions, cessation of employment or a change of control event

occurring. Where cessation of employment occurs with respect to a 'good leaver' vested Options or vested Performance Rights that have not been exercised will continue in force and remain exercisable until their respective expiry date.

10. Change of Control Event

If a change of control event occurs, the Board may in its sole and absolute discretion, and subject to the Listing Rules determine how unvested Options or unvested Performance Rights held by a Holder will be treated, including but not limited to: (a) determining that unvested Options or Performance Rights (or a portion of unvested Options or Performance Rights) will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the effective date of the change of control event, regardless of whether or not the employment, engagement or office of the participant is terminated or ceases in connection with the change of control event; and/or (b) reducing or waiving any of the vesting conditions applicable to Options or Performance Right attaching to those unvested Options or unvested Performance Rights.

Security issued since the date of last approval

Since the SOP was approved by Shareholders in November 2020, 3,422,429 unlisted Options have been approved to be issued under that SOP, subject to resolution 10.

Board recommendation

Given the eligibility of Directors to be issued with securities under the SOP, the Directors abstain from providing a recommendation with respect to this Resolution.

Voting exclusions

Please refer to the Voting Exclusion Statements section for voting exclusions on this Resolution.

Resolution 7: the ratification of the issue of ordinary Shares under a Share placement.

Proposed resolution

Resolution 7 seeks that for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of 21,440,943 fully paid ordinary Shares in the Company (15% capacity under ASX Listing Rule 7.1) to sophisticated and professional investors under a Share placement for the price of eight cents (\$0.08) per Share, which issue occurred on 23 December 2020, is ratified.

Background

On 18 December 2020, EGY announced a capital raising (**Capital Raising**) of up to \$1.8 million through the issue of ordinary fully paid Shares. The Capital Raising comprised a \$1.8m placement (**Placement**) at an issue price of \$0.08 per Share (**Issue Price**).

The Placement closed successfully and was supported by Australian institutional and family office investors, as well as existing Shareholders. 22,500,000 Shares were issued to sophisticated and professional investors under the Placement;

Funds raised under the Capital Raising were (and are intended to be) used as follows:

- Provision of working capital to the Company's wholly-owned operating subsidiary, Bambach Wires and Cables Pty Ltd, to fund an increase in raw material purchases.
- Increasing inventories for:
 - proprietary manufactured & branded existing and new products, including SafeX (low smoke zero halogen cables), Vari-Flex (variable speed drive cables), TrackSure and TrackDrive (railway signalling and power cables), Traffi-Cab and Detecta-Cab (road signalling cables) and LoadFlex (street lighting cables); and
 - new products to be launched over the medium term that will cater to identified demand for cables required for solar power & energy generation, shipbuilding (including naval vessels) and train & rail infrastructure (including locomotives & carriages; as well as road & rail tunnels).
- Replenish general working capital reserves and bolster tendering facilities.
- Applied to the costs of undertaking the Placement and Rights Issue.

The Issue Price represented a discount of:

- o 0.22% to the 10-day volume weighted average price of \$0.0802; or
- o 0.0% to the last traded price of \$0.08.

Placement

Under Listing Rule 7.1, the Company is permitted to issue Equity Securities equal to up to 15% of its ordinary Equity Securities on issue without Shareholder approval. The issue of Shares under the Placement occurred on Tuesday, 23 December 2020 without Shareholder approval using the Company's existing capacity under ASX Listing Rule 7.1. The Company also obtained consent from the ASX to utilise an expanded 25% capacity (that is, an additional 10% capacity in addition to its initial 15% capacity) under the ASX COVID-19 temporary relief class order entitled "*Class Waiver Decision - Temporary Extra Placement Capacity*" (**Temporary Extra Placement Capacity**).

The Company and the Lead Manager (PAC Partners Securities Pty Ltd) approached existing sophisticated and wholesale investors on the Companies Share register, as well as clients of the Lead Manager, to participate in the Placement. The Placement was allocated on a preferred basis to existing qualified Shareholders identified by the Company and then professional and sophisticated investors introduced by the Lead Manager. As far as the Company is aware, no Share were issued in the Placement to any Related Party.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1 by permitting the ratification of previous issues of Equity Securities which were not made under a prescribed exception under ASX Listing Rule 7.2 or with security holder approval, provided that such issues did not breach the 15% threshold set out by Listing Rule 7.1. If security holders of a company approve the ratification of such previous issues of Equity Securities at a general meeting, those Equity Securities will be deemed to have been issued with security holder approval for the purposes of ASX Listing Rule 7.1.

The additional Shares issued under the Temporary Extra Placement Capacity are permitted for a single placement only and are not permitted to be ratified. Of the 22,500,000 fully paid ordinary Shares issued under the Placement, 21,440,943 fully paid ordinary Shares in the Company were issued under ASX Listing Rule 7.1 (and not under the Temporary Placement Capacity) and are eligible to be ratified.

Accordingly, if Shareholders ratify the Company's previous issue of Shares (made under Listing Rule 7.1) by way of approving Resolution 7, those Shares will be deemed to have been issued with Shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% placement capacity.

In accordance with ASX Listing Rule 7.5, Shareholders are provided the following Information:

Recipients of Issue	Australian institutional and family office investors, as well as existing Shareholders.
Number and Class of the Securities issued	21,440,943 fully paid ordinary Shares in the Company.
Material terms of the Securities	Fully Paid Ordinary Shares
Date on which the Securities were issued	23 December 2020
Issue Price	\$0.08 per share
Purpose of the issue	Various as noted in the 'Background' section above.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

It is proposed that the Shareholders ratify the issue of 21,440,943 Shares under the Placement (which were issued under ASX Listing Rule 7.1 (and not under the Temporary Placement Capacity)). Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required. If this previous issue of Shares is not ratified, those Shares will be deducted from the Company's 15% placement capacity, thereby reducing the Company's ability to utilise its placement capacity for the balance of the relevant 12 month period.

Board Recommendation

As explained above, the effect of Shareholder approval for Resolution 7 is the reinstatement of the Company's 15% placement capacity. The Directors do not (save for as otherwise set out in this Notice) currently have any specific intention to make any further issue of Shares without approval of Shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2. However, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 15% Placement Capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

Voting exclusions

Please refer to the Voting Exclusion Statements section for voting exclusions on this resolution.

Resolution 8: the issue of options over ordinary Shares to advisors to PAC Partners Securities Pty Ltd

Proposed resolution

Resolution 8 seeks that for the purposes of ASX Listing Rule 7.1, and for all other purposes, approval is given to the Company to issue 9,000,000 options over ordinary Shares in the company exercisable at \$0.20 per Share to PAC Partners Securities Pty Limited ACN 623 653 912 (**PAC Partners**) or its nominees.

Background

Under a mandate provided by PAC Partners to act as lead manager of a Rights Issue announced on 20 September 2021, comprising an \$11 million non-renounceable Rights Issue partially underwritten to \$6 million, in addition to other fees, the Company agreed to allocate lead manager 9,000,000 broker options (**Broker Options**) to PAC Partners. A total of 100,000,000 new Shares and 25,000,058 attaching options expiring 31 October 2024, were issued under the successful Rights Issue. PAC Partners is therefore entitled to be issued 9,000,000 Broker Options (subject to shareholder approval).

The mandate was approved by the Company. The exercise price of the Broker Options is set at \$0.20 and the Broker Options must be exercised on or before 31 October 2024.

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Equity Securities during any 12-month period in excess of 15% of the number of ordinary Equity Securities on issue at the commencement of that 12-month period without Shareholder approval. The Company requires Shareholder approval under ASX Listing Rule 7.1 in respect of the issue of the Broker Options (Resolution 8) and none of the exceptions in ASX Listing Rule 7.2 apply. The effect of Resolution 8 will be to allow the Company to issue the Broker Options within 3 months after the date of the Meeting without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 8 is an ordinary resolution, meaning it must be passed by a simple majority of votes cast by the Shareholders entitled to vote on it. If Resolutions 8 is not approved by Shareholders, the Company may need to utilise its 15% annual placement capacity to issue the Broker Options, thereby reducing the Company's ability to utilise its placement capacity for the balance of the applicable 12 month period.

Information required by Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to Shareholders:

9,000,000 options to be issued to PAC Partners and nominees

Recipient of issue	PAC Partners Securities Pty Ltd (or nominees).
Number and class of the securities to be issued	9,000,000 Broker Options.
Material terms of the securities	Options exercisable at \$0.20 each, expiring 31 October 2024, and on the following terms: (a) Each Option entitles the holder to be issued one Share. (b) The Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option. (c) Subject to complying with the ASX Listing Rules, the Company will be applying for quotation of the Options on the official list of the ASX. (d) The Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules. (e) The holder of an Option may not exercise less than 10,000 Options at any one time unless the holder has less than 10,000 Options in which event the Holder must exercise all of the Options together. (f) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). Options may be exercised by the Option holder in whole or in part by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of Options exercised, the consequent number of Shares to be

	<p>issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.</p> <p>(g) All Shares issued upon the exercise of the Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in accordance with the Listing Rules for all Shares pursuant to the exercise of Options to be admitted to quotation.</p> <p>(h) There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the Options. Thereby, the Option holder has no rights to a change in:</p> <p>(i) the exercise price of the Option; or</p> <p>(ii) period of exercise of the Option; or</p> <p>(iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.</p> <p>(i) The Company will ensure, for the purposes of determining entitlements to any issue, that Option holder will be notified of a proposed issue after the issue is announced.</p> <p>(j) This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.</p> <p>(k) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the Options had been exercised before the record date for the Bonus Issue.</p> <p>(l) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.</p>
Date on which the securities will be issued	Within 3 months after the date of the Meeting.
Issue price	Nil cash consideration for Options.
Purpose of the issue	Granted to PAC Partners as part of providing capital market advisory services in connection with the Rights Issue.
Use of funds	Any amount raised on exercise of the Options will be used for working capital purposes.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

Board Recommendation

The Directors do not (save for as otherwise set out in this Notice) currently have any specific intention to make any further issue of Equity Securities without approval of Shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2. However, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 15% placement capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution 8.

Resolution 9: the issue of options over ordinary Shares to advisors Cashel Financial Services Pty Ltd.

Proposed resolution

Resolution 9 seeks that for the purposes of ASX Listing Rule 7.1, and for all other purposes, approval is given to the Company to issue 800,000 options over ordinary Shares in the Company at \$0.112 per Share to Cashel Financial Services Pty Ltd's nominee Jengus Holdings Pty Ltd <Jengus Super Fund A/C>.

Background

In consideration for consultancy services in connection with the Placement (ie the Placement the subject of Resolution 7), the Company agreed to issue 800,000 options (**Consultant Options**) to Cashel Financial Services Pty Ltd and/or nominees (subject to shareholder approval). A total of 22,500,000 new Shares were issued under the successful Placement and Rights Issue.

The exercise price of the Consultant Options is set at \$0.112 and the Consultant Options must be exercised on or before 23 December 2023.

ASX Listing Rule 7.1 provides that a Company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Equity Securities during any 12-month period in excess of 15% of the number of ordinary Equity Securities on issue at the commencement of that 12-month period without Shareholder approval. The Company requires Shareholder approval under ASX Listing Rule 7.1 in respect of the issue of the Consultant Options (Resolution 9) and none of the exceptions in ASX Listing Rule 7.2 apply. The effect of Resolution 9 will be to allow the Company to issue the Consultant Options within 3 months after the date of the Meeting without using the Company's 15% annual placement capacity granted under ASX Listing Rule 7.1.

Resolution 9 is an ordinary resolution, meaning it must be passed by a simple majority of votes cast by the Shareholders entitled to vote on it. If Resolution 8 is not approved by Shareholders, the Company may need to utilise its 15% annual placement capacity to issue the Consultant Options, thereby reducing the Company's ability to utilise its placement capacity for the balance of the applicable 12 month period.

Information required by Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to Shareholders:

800,000 options to be issued to Cashel Financial Services Pty Ltd's nominee

Recipients of issue	Cashel Financial Services Pty Ltd's nominee Jengus Holdings Pty Ltd <Jengus Super Fund A/C> (or nominee).
Number and class of the Securities to be issued	800,000 Consultant Options.
Material terms of the Securities	Options exercisable at \$0.112, expiring 3 years after the date of issue. Please see the Annexure to this Notice for the terms of issue.
Date on which the Securities will be issued	Within 3 months after the date of the Meeting.
Issue price	Nil cash consideration for Options.
Purpose of the issue	Granted to Cashel Financial Services Pty Ltd as part of providing capital market consulting services in connection with the Placement and Rights Issue.
Use of funds	Any amount raised on exercise of the Options will be used for working capital purposes.
Voting exclusion	A voting exclusion statement applies to this item of business as set out in the Notice.

Board Recommendation

The Directors do not (save for as otherwise set out in this Notice) currently have any specific intention to make any further issue of Equity Securities without approval of Shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2. However, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 15% placement capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.

Accordingly, the Directors (with Mr Smith abstaining) recommend that Shareholders vote in favour of Resolution 9.

Resolution 10: Issue of options over ordinary Shares to Directors under the Share Option Plan (SOP).

Proposed resolution

Resolution 10 seeks shareholder approval with respect to the issue of 3,422,429 options under the SOP to the directors of the Company.

Explanation

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

A related party includes directors of the Company under section 228 of the Corporations Act. Section 229 of the Corporations Act defined financial benefit broadly and includes issuing securities, granting an option or providing finance to a related party.

One of the nominated exceptions referred to in the paragraph above is where the financial benefit is remuneration to a related party as an officer or employee of the company, and to give the remuneration would be reasonable given the circumstances of the public company, and the related party's circumstances (including the responsibilities involved in the office or employment). The Board has determined (in each case in the absence of the proposed recipient of the Director Options) that the grant of the Director Options is a benefit that constitutes reasonable remuneration for the purposes of section 211 of the Corporations Act. Accordingly, Shareholder approval is not being sought for the purposes of Chapter 2E of the Corporations Act, but is being sought for the purposes of Listing Rules as discussed below.

ASX Listing Rule 10.14 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of securities (which includes an option or right to subscribe for a security) under an employee incentive scheme to a director of the company.

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval (by ordinary resolution) prior to the issue of equity securities to a related party of the company. ASX Listing Rule 10.12 exception 8, provides an exception to ASX Listing Rule 10.11 where an issue of equity securities is made under an employee incentive scheme with the approval of shareholders under ASX Listing Rule 10.14. As approval is being sought under ASX Listing Rule 10.14, approval under ASX Listing Rule 10.11 and ASX Listing Rule 7.1 is not required.

Each of Brian Jamieson, Anthony Lloyd Smith, Ian Alistair Campbell and Matthew Driscoll are directors of the Company for the purposes of ASX Listing Rule 10.14.1. Being a director of the Company, each is also a related party of the Company for the purposes of Chapter 2E of the Corporations Act.

Proposed grant of Options

It is proposed that the Company issues in aggregate 3,422,429 Options to its non-executive directors as follows:

- (a) 446,238 Options to Brian Jamieson (or nominee);
- (b) 1,339,286 Options to Anthony Lloyd Smith (or nominee);
- (c) 595,238 Options to Ian Alistair Campbell (or nominee); and
- (d) 1,041,667 Options to Matthew Driscoll (or nominee).

These options are intended to form part of each director's remuneration package with respect to the period from 1 July 2020 to 30 June 2021.

Each Option, once vested, will be exercisable into one ordinary share in the capital of the Company. 35% of the Options issued to a director will vest on 30 June 2022, a further 35% will vest on 30 June 2023, with the balance vesting on 30 June 2024, subject to the relevant director remaining in his or her current role with the Company at each relevant vesting time.

Approvals

Shareholder approval is sought for the purposes of both ASX Listing Rule 10.11 with respect to the issue of the Options to the directors pursuant to the SOP and relevant terms of issue.

The issue of the Options to Brian Jamieson (or nominee) is conditional on the passing of Resolution 2, the issue of the Options to Anthony Lloyd Smith (or nominee) is conditional on the passing of Resolution 3, the issue of the Options to Ian Alistair Campbell (or nominee) is conditional on the passing of Resolution 4, and the issue of the Options to Matthew Driscoll (or nominee) is conditional on the passing of Resolution 5.

Technical information required by ASX Listing Rule 10.15

Name of person	Relationship of person	Number and class of securities to be issued	Remuneration package
Brian Jamieson (or nominee)	Brian Jamieson is a director of the Company	446,238 Options	Brian Jamieson's total remuneration with respect the financial year ending 30 June 2022 is approximately \$70,000 plus superannuation.
Anthony Lloyd Smith (or nominee)	Anthony Lloyd Smith is a director of the Company	1,339,286 Options	Anthony Lloyd Smith's total remuneration with respect the financial year ending 30 June 2022 is approximately \$50,000 plus superannuation.
Ian Alistair Campbell (or nominee)	Ian Alistair Campbell is a director of the Company	595,238 Options	Ian Alistair Campbell's total remuneration with respect the financial year ending 30 June 2022 is approximately \$50,000 plus superannuation.
Matthew Driscoll (or nominee)	Matthew Driscoll is a director of the Company	1,041,667 Options	Matthew Driscoll's total remuneration with respect the financial year ending 30 June 2022 is approximately \$50,000 plus superannuation.

The following information applies with respect to all Options to be issued:

Information required	Particulars
Number of securities previously issued under the SOP and average acquisition price	Nil. As at the date of this Notice, the SOP has not been established by the Company and subsequently no securities have been issued under the SOP.
Summary of the terms of the SOP	The Performance Rights and the Options are to be issued pursuant to the SOP and will be subject to the terms of the SOP. Please refer to explanatory section relating to Resolution 6 of this Notice.
Material terms of the Options	<p>(a) Each Option may be converted into one Share in the Company prior to the expiry date of the Options.</p> <p>(b) 35% of the Options vest on 30 June 2022, a further 35% will vest on 30 June 2023, and the remaining balance of the Options vest on 30 June 2024. Each Option may be exercised from the date of vesting to any time prior to being 3 years from the date on which they vest (Expiry Date), if not exercised.</p> <p>(c) The exercise price per Option is \$0.168 (being the closing price of the Company's shares on 30 June 2021, being the date on which the Board determined the terms on which it proposes to issue the Options to the directors, subject to shareholder approval).</p> <p>(d) If the holder of the Option ceases to be employed or engaged by the Company in their current capacity prior to the date of vesting, any unvested Options will automatically lapse unless the Board has made a determination to the contrary.</p> <p>(e) The holders are not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Options before the 'record date' for determining entitlements to the new issue of securities and participate as a result of holding Shares.</p> <p>(f) If there is a reorganisation of capital then the rights of the holder (including the number of Options to which the holder is entitled to and the exercise price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.</p> <p>(g) The Options are exercisable at any time after vesting to on or prior to the Expiry Date (Exercise Period).</p> <p>(h) Subject to escrow, the Options may be exercised during the Exercise Period by notice in writing to the Company in the approved manner (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds</p>

	<p>transfer or other means of payment acceptable to the Company.</p> <p>(i) A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).</p> <p>(j) As soon as possible after the Exercise Date, the Company must (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (iii) do all such things necessary to obtain the grant of official quotation of the Shares on ASX no later than 5 business days after issuing the share.</p> <p>(k) Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.</p> <p>(l) The Options will immediately vest and may be exercised and Shares issued in the event a takeover bid is made to acquire all of the issued Shares, or if another transaction is initiated which has an effect similar to a full takeover bid for Shares.</p> <p>(m) There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. The Options will not be quoted on the ASX.</p> <p>(n) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.</p> <p>(o) Subject to the Corporations Act, the ASX Listing Rules, and the constitution of the Company, each Option is transferable.</p>								
Why Options are being used	<p>Options are a cash free way to remunerate directors and further align their interest with that of the Company.</p> <p>The Company does not consider that there are any significant opportunity costs foregone by the Company in issuing the Options.</p>								
Value of Options	<p>The estimated accounting value of the all of the Options to be issued (ie 3,422,429 Options) is in aggregate approximately \$344,809, pro-rata as between the Directors, as follows:</p> <p>(a) \$44,958 to Brian Jamieson;</p> <p>(b) \$134,933 to Anthony Lloyd Smith;</p> <p>(c) \$59,970 to Ian Alistair Campbell; and</p> <p>(d) \$104,948 to Matthew Driscoll.</p> <p>This has been calculated using a Black-Scholes framework. The assumptions used in this calculation are as follows; share price of \$0.165, exercise price of \$0.168, volatility at 55%, risk free rate of 0.06%*, the following vesting dates:</p> <table data-bbox="603 1691 1013 1814"> <thead> <tr> <th>Options</th> <th>Vesting Date</th> </tr> </thead> <tbody> <tr> <td>1,197,850</td> <td>30 June 2022</td> </tr> <tr> <td>1,197,850</td> <td>30 June 2023</td> </tr> <tr> <td>1,026,729</td> <td>30 June 2024</td> </tr> </tbody> </table> <p><i>*Australian Bond 2 year yield.</i></p>	Options	Vesting Date	1,197,850	30 June 2022	1,197,850	30 June 2023	1,026,729	30 June 2024
Options	Vesting Date								
1,197,850	30 June 2022								
1,197,850	30 June 2023								
1,026,729	30 June 2024								
Dates on which the entity will issue the Options	<p>The Company intends to issue the Options by no later than 1 month following Shareholder approval.</p> <p>It is difficult to determine when the Shares resulting from the exercise of the Options are likely to be issued. The Options, if vested, may be exercised during the 3 year period following the date on which they vest.</p>								

Price at which Options are to be issued	The Options will be issued for a \$Nil issue price. Any amount raised by the Company from the exercise of the Options will be used for working capital purposes.
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Details of any securities issued under the SOP will be published in the annual report of the Company relating to the Period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the SOP after the resolution is approved and who were not named in this Notice will not be able to participate until approval is obtained under that rule.

Voting Exclusion

A voting exclusion statement applies to this resolution, as set out in the Notice.

Board Recommendation

All the directors have an interest in the outcome of this resolution and accordingly, all directors abstain from making any recommendations to the shareholders.

Resolution 11 - The approval under Listing Rule 7.1A to issue additional securities in the company over the next twelve months

Proposed resolution

Approval is sought under Resolution 11 for Shareholders to approve an additional capacity of the Company to issue Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in these Explanatory Notes.

Background

ASX Listing Rule 7.1A

Under ASX Listing Rule 7.1, every listed entity has the ability to issue 15% of its ordinary Equity Securities on issue without Shareholder approval within a 12 month period. ASX Listing Rule 7.1A permits eligible small and mid-cap ASX-listed entities, subject to Shareholder approval, to issue Equity Securities of up to an additional 10% of its issued capital (**10% Placement Capacity**) by way of placements over a 12 month period, in addition to its ability to issue securities under Listing Rule 7.1.

The Company seeks Shareholder approval under ASX Listing Rule 7.1A for the 10% Placement Capacity. The effect of this Resolution will be to allow the Company, subject to the conditions set out below, to issue Equity Securities under the 10% Placement Capacity without using its 15% Placement Capacity under ASX Listing Rule 7.1.

Resolution 11 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote (in person or by proxy) at the Meeting must be in favour of this resolution for it to be passed.

ASX-listed entities which have a market capitalisation of \$300 million or less, and which are not included in the S&P/ASX 300 Index, are eligible to seek shareholder approval under ASX Listing Rule 7.1A. As at the date of this Notice, the Company is eligible to seek Shareholder approval under ASX Listing Rule 7.1A.

While the Company currently has no intention or reason to issue securities under the 10% Placement Capacity, in the future having this additional placement capacity to immediately issue securities for cash consideration only, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital.

If Resolution 11 is not approved, the 10% Placement Capacity will not be available to the Company.

The Directors advise that this additional placement capacity will only be used by the Company if it is necessary due to timing constraints pertaining to the underlying transaction(s) for which it is used. Any securities issued under the 10% Placement Capacity will be in the same class as existing quoted securities of the Company. The Company has only one class of quoted Equity Securities on issue as at the date of this Notice of Meeting being fully-paid ordinary Shares with the ASX code 'EGY'.

Formula for calculating 10% Placement Capacity

The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out ASX Listing Rule 7.1A.2 as follows:

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

Where:

- A is the number of fully paid ordinary securities on issue at the commencement of the 12 month period before the date of issue or agreement (relevant period):
 - plus the number of fully paid ordinary securities issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17,
 - plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or Listing Rule 7.4,
- plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- less the number of fully paid ordinary securities cancelled in the relevant period.

(‘A’ has the same meaning in ASX Listing Rule 7.1 when calculating an entity’s 15% placement capacity.)

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4.

ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A the Company provides the following information:

(a) The period for which the approval will be valid

The approval under this Resolution 11 for the issue of Equity Securities under the 10% Placement Capacity will be valid until the earlier of:

- the date that is 12 months after the date of the annual general meeting at which approval is obtained;
- the time and date of the Company’s next annual general meeting; and
- the date of approval by ordinary Shareholders of a significant change to the Company’s activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary Shareholders of a disposal of a major asset under ASX Listing Rule 11.2 or such longer period if allowed by the ASX.

(b) The minimum price at which the Equity Securities may be issued under Rule 7.1A.2

The issue price for each Equity Security issued under the 10% Placement Capacity will not be less than 75% of the VWAP for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or

- if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

(c) **The purposes for which the funds raised by an issue of Equity Securities under Listing Rule 7.1A.2 may be used**

As noted above, the 10% Placement Capacity may be used for issue of securities for cash consideration only, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital.

(d) **Risk of economic and voting dilution**

There is a risk of economic and voting dilution of existing ordinary Shareholders that may result from an issue of Equity Securities under rule 7.1A, including the risk that:

- the market price for the Company's ordinary Shares may be significantly lower on the issue date than on the date this approval is given; and
- the ordinary Shares may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date.

Table 1 shows the dilution of Shareholders on the basis of the current market price of Shares and the current number of ordinary Shares for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A2.

The table also shows:

- two examples where variable 'A' has increased by 50% and 100%. Variable 'A' is based on the number of Shares the Company has on issue as at the date of this Notice of Meeting.

The number of ordinary Shares on issue may increase as a result of issues of ordinary Shares that do not require Shareholder approval (for example, a pro rata entitlement issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- two examples of where the issue price of ordinary Shares has decreased by 50% and increased by 100% as against the current market price.

Table 1 - Dilution table

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		50% Decrease in Issue Price	Current price Issue Price	100% Increase in Issue Price
		\$0.055	\$0.11	\$0.22
Variable A 272,275,214 Shares	10% Voting Dilution	27,227,521 Shares	27,227,521 Shares	27,227,521 Shares
	Funds Raised	\$1,497,514	\$2,995,027	\$5,990,055
50% increase in Variable A 408,412,821 Shares	10% Voting Dilution	40,841,282 Shares	40,841,282 Shares	40,841,282 Shares
	Funds Raised	\$2,246,271	\$4,492,541	\$8,985,082
100% increase in Variable A 544,550,428 Shares	10% Voting Dilution	54,455,043 Shares	54,455,043 Shares	54,455,043 Shares
	Funds Raised	\$2,995,027	\$5,990,055	\$11,980,109

Table 1 has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue on the date of this Notice.
- The Company issues the maximum number of Equity Securities available under the 10% Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue.

- The table shows only the issue of Equity Securities under the 10% Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of Equity Securities under the additional placement capacity includes only ordinary Shares.

The issue price of \$0.11 was the closing price of Shares as traded on ASX as at 5:00pm on Wednesday, 20 October 2021. This price may fluctuate between the time of preparing this Notice and the date of the Meeting.

(e) Allocation policy

The Company's allocation policy for issues under the 10% Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue.

The identity of the allottees of the Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing Shareholders may participate;
- the effect of the issue of the Equity Securities on the control of the Company;
- the financial position of the Company; and
- advice from the Company's advisors.

(f) Previous issues of Equity Securities under Listing Rule 7.1A2 in the 12 months preceding the date of the Meeting

On 18 December 2020, EGY announced a capital raising via a Placement. 1,059,057 of the shares issued under the Placement were issued pursuant to ASX Listing Rule 7.1A2,

In accordance with ASX Listing Rule 7.3.A, Shareholders are provided the following Information:

Recipients of Issue	Australian institutional and family office investors, as well as existing Shareholders.
Number and Class of the Securities issued	1,059,057 fully paid ordinary Shares in the Company.
Material terms of the Securities	Fully Paid Ordinary Shares
Date on which the Securities were issued	23 December 2020
Issue Price	\$0.08 per share
Purpose of the issue	Various as noted in the 'Background' section above.

Recipients of Issue	Shed Media Pty Ltd
Number and Class of the Securities issued	250,000 fully paid ordinary Shares in the Company.
Material terms of the Securities	Fully Paid Ordinary Shares
Date on which the Securities were issued	23 December 2020
Issue Price	\$0.08 per share
Purpose of the issue	In lieu of fees for services provided

(g) Board recommendation

The Directors do not (save for as otherwise set out in this Notice) currently have any specific intention to make any further issue of Equity Securities without approval of Shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2. However, the Directors believe that it is in the best interests of the Company to avail itself of the 10% Placement Capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.

GLOSSARY

In the Notice of Meeting and Explanatory Notes the following terms have the following meanings:

AEDT means Australian Eastern Daylight Savings Time.

Annual General Meeting, AGM or Meeting means the 2021 Annual General Meeting of the Shareholders of the Company to be held at 10.30am on Monday, 29 November 2021, to which the Notice of Meeting and Explanatory Notes relate.

ASX means ASX Limited.

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

Board means the board of directors of the Company.

Chairman means the person chairing the Meeting from time to time.

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

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependent of the member or of the member's spouse; or
- anyone else who is one of the member's family, and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or
- a company the member controls; or
- a person prescribed by the Corporations Regulations.

Company or EGY means Energy Technologies Ltd (ASX:EGY) ACN 002 679 469.

Constitution means the Company's constitution.

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

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

Director means a current director of the Company.

Equity Security means:

- a share;
- a unit;
- an option over an issued or unissued share or unit;
- a right to an issued or unissued share or unit;
- an option over, or right to, a security referred to in (c) or (d) above;
- a convertible security;
- any security that ASX decides to classify as an equity security,

but not a security ASX decides to classify as a 'debt security'.

Explanatory Notes means the explanatory notes to this Notice of Meeting.

Key Management Personnel or KMP means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Directors.

Notice or Notice of Meeting means this notice of meeting of the Company.

Officer means a current officer of the Company.

Related Party has the meaning given in section 228 of the Corporations Act and in respect of the Company includes (but is not limited to):

- the Directors;
- their spouses, parents and children; and
- an entity controlled by a Director (or their spouses, parents and children), unless that entity is also controlled by the Company.

Resolution means a resolution referred to in the Notice.

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

Share Registry means Computershare Investor Services Ltd.

Shareholder means a holder of Shares.

VWAP means the Volume Weighted Average Price.

Words importing the singular include the plural and vice versa. All references to currency are in Australian dollars.

Annexure

Option Terms

Company	Energy Technologies Ltd ACN 002 679 469
Optionholder	[#]
Expiry Date	[#]
Exercise Price	[#]

1. Entitlement

- (a) The Company will issue [#] options which entitles the Optionholder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**), for each option at the price specified in clause 3, during the option period specified in clause 4 of these Terms (**Options**).
- (b) The Options are not transferrable.

2. Issue price

No amount is payable on issue of the Options.

3. Exercise price

The exercise price of an Option is equal to the Exercise Price.

4. Option period

The Options may be exercised in part or in whole at any time after the issue of the Options and if not exercised, the Options automatically expire on the Expiry Date.

5. Participation rights, bonus issues, rights issues and reorganisations

5.1 Participation

The Optionholder is not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Options before the record date for determining entitlements to the new issue of securities and participate as a result of holding Shares.

5.2 Notice of new issue

The Company must give the Optionholder, in accordance with Listing Rules of Australian Stock Exchange Limited (**ASX**), notice of:

- (a) the proposed terms of the issue or offer proposed under clause 5.1 of these Terms; and
- (b) where the option can be exercised by the Optionholder, the right to exercise their Options under clause 5.1.

5.3 Bonus issues

If the Company makes a bonus issue of Shares or other securities to shareholders (except an issue in lieu of dividends or by way of dividend reinvestment), and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for determining entitlements to the issue.

5.4 Pro rata issues

If the Company makes a pro rata issue of Shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, the exercise price of each Option is reduced in accordance with the ASX Listing Rules.

5.5 Reorganisation

If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Optionholder (including the number of Options to which the Optionholder is entitled to and the Exercise Price), is changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

5.6 Calculations and adjustments

Any calculations or adjustments which are required to be made under clause 5 of these Terms will be made by the Board of the Company and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Optionholder.

5.7 Notice of change

The Company must within a reasonable period give to the Optionholder notice of any change under clause 5 of these Terms to the Exercise Price of any Options held by the Optionholder or the number of Shares which the Optionholder is entitled to subscribe for on exercise of an Option.

6. Method of exercise of Options

6.1 Method and payment

To exercise Options, the Optionholder must give the Company or its share registry, at the same time:

- (a) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Options being exercised and Shares to be issued; and
- (b) payment of the Exercise Price for the Shares the subject of the exercise notice by way of bank cheque or by other means of payment approved by the Company.

6.2 Exercise of Options

- (a) The Optionholder may exercise the Options in part or in whole.
- (b) Options will be deemed to have been exercised on the date the application is lodged with the Directors of the Company.

6.3 Issue of Shares

Within 10 days after receiving an application for exercise of Options and payment by the Optionholder of the Exercise Price, the Company must issue the Optionholder the number of Shares specified in the application.

7. Ranking of Shares issued on exercise of Options

Subject to the Company's constitution and any escrow restrictions imposed by ASX, all Shares issued on the exercise of Options rank in all respects (including rights relating to dividends) pari passu with the existing ordinary shares of the Company at the date of issue.

8. Quotation

- (a) The Company will not apply to ASX for official quotation of the Options.
- (b) The Company will apply to ASX for official quotation of the Shares issued on exercise of Options as soon as practicable after their issue.

9. Governing law

These Terms and the rights and obligations of the Optionholder are governed by the laws of Victoria, Australia. The Optionholder irrevocably and unconditionally submits to the nonexclusive jurisdiction of the courts of Victoria, Australia.

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