



NOTICE OF ANNUAL GENERAL MEETING 2020



ELMO Software Limited
ACN 102 455 087



7 September 2020

Dear Shareholder,

On behalf of the Directors of ELMO Software Limited (**ELMO**), I am pleased to invite you to attend the 2020 Annual General Meeting (**AGM**) of ELMO. Enclosed is the Notice of Meeting setting out the business of the AGM.

ELMO's 2020 AGM will be held on Thursday, 8 October 2020 commencing at 2.00pm (Sydney time) at the ELMO offices, Level 27, 580 George Street, Sydney, New South Wales, Australia.

ELMO is focussed on ensuring the health and safety of shareholders and its team members whilst maximising the opportunity for shareholders to participate in the AGM. Accordingly, ELMO will hold the meeting both online and in person at its Sydney office at 580 George St, Sydney. The Sydney venue has limited capacity, so it is essential to register in advance.

Attendance in person at ELMO HQ, Level 27, 580 George Street Sydney

The AGM will be held in person at the ELMO offices, however due to COVID-19 and current Government restrictions, ELMO is required to ensure compliance with the requirements for social distancing and will seek to comply with any applicable requirements and limitations that are in force at the time of the AGM in respect of any person(s) who seeks to attend the AGM in person.

It is therefore essential to register prior to attending the event in person. If you wish to attend the meeting in person, please register at <http://bit.ly/ELO-AGM>.

Attendance online

All ELMO shareholders are also able to participate in the AGM virtually via the online platform at <https://agmlive.link/ELO2020>.

Further details on how to participate in the AGM online are set out in the attached Notice of Meeting and in the Link Group Online Platform Guide. The Online Platform Guide provides details about how to ensure your browser is compatible with the online platform, as well as a step by step guide to successfully log in and navigate the site. The Online Platform Guide will be released to the ASX and is also available on our website at <https://investors.elmosoftware.com.au/Investors/>.

If you are attending the AGM in person, please bring your Proxy Form with you to assist with your registration. If you are unable to attend the AGM, I encourage you to complete and return your Proxy Form no later than 2.00pm (Sydney time) on Tuesday, 6 October 2020 in one of the ways specified in the Notice of Meeting and Proxy Form.

I also encourage you to read the enclosed Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and would also recommend you to lodge a directed proxy in advance of the meeting by following the instructions in the Proxy Form.

Subject to the abstentions noted in the Explanatory Memorandum, the Directors of ELMO unanimously recommend that shareholders vote in favour of all resolutions to be proposed at the AGM.

Shareholders participating in the AGM, whether through our online platform or in person, will have the opportunity to submit questions to the Board and to ELMO's external auditors during the AGM. If you would like to ask a question prior to the AGM, please do so by logging onto www.linkmarketservices.com.au, select Voting then click 'Ask a Question'.

Thank you for your continued support of ELMO and I look forward to your attendance either online or in person.

In the event that ELMO needs to make alternative arrangements for the AGM, information will be lodged with the ASX at www.asx.com.au (ASX:ELO) and on ELMO's website <http://bit.ly/elo-announcements>.

Yours faithfully,



Barry Lewin
Chairman

NOTICE OF ANNUAL GENERAL MEETING

ELMO Software Limited

ABN 13 102 455 087

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of ELMO Software Limited ACN 102 455 087 (**ELMO** or the **Company**) will be held:

Date: Thursday, 8 October 2020

Venue: online via <https://agmlive.link/ELO2020>

Time: 2.00pm (Sydney time)

OR

In person at the ELMO offices
Level 27, 580 George Street
Sydney, New South Wales

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report, and the Independent Auditor's Report of the Company for the financial year ended 30 June 2020.

All shareholders can view the 2020 Annual Report which contains the Financial Report for the year ended 30 June 2020 on the Company's website at <https://investors.elmosoftware.com.au>.

B. QUESTIONS AND COMMENTS

Following consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a. the conduct of the audit;
- b. the preparation and content of the Independent Auditor's Report;
- c. the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d. the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

C. ITEMS FOR APPROVAL

Resolution 1. Re-election of Director – Barry Lewin

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

"That Barry Lewin, who retires by rotation in accordance with clause 69.2 of the Company's Constitution and being eligible for re-election, is re-elected as a Director of the Company."

NOTICE OF ANNUAL GENERAL MEETING

Resolution 2. Adoption of Remuneration Report

To consider and if thought fit, pass the following as a non-binding **ordinary resolution** of the Company:

"That the Company's Remuneration Report for the financial year ended 30 June 2020, as set out in the Directors' Report, is adopted."

The Remuneration Report is contained in the 2020 Annual Report (available at <https://investors.elmosoftware.com.au>). Please note that, in accordance with section 250R(3) of the *Corporations Act 2001* (Cth) (**Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

A vote on Resolution 2 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a. a member of the Key Management Personnel (KMP) whose remuneration details are included in the 2020 Remuneration Report; or
- b. a Closely Related Party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a person described above and either:

- a. the proxy appointment is in writing that specifies the way the proxy is to vote (e.g. for, against or abstain) on the resolution; or
- b. the vote is cast by the chair of the Meeting and the appointment of the chair as proxy:
 - i. does not specify the way the proxy is to vote on the resolution; and
 - ii. expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

"Key Management Personnel" and "Closely Related Party" have the same meaning as set out in the Act.

In accordance with section 250BD of the Act, a vote must not be cast on Resolution 2 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 3. Ratification of Placement

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the issue on 18 May 2020 of a total of 10,000,000 fully paid ordinary shares in ELMO Software Limited (Shares) at an issue price of \$7.00 per Share, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is ratified."

Voting Exclusion Statement

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- a. any person who participated in the above issue or is a counterparty to the agreement being approved; or
- b. an associate of those persons.

Additionally, in accordance with ASX Listing Rule 14.11, the Company will also disregard any votes cast in favour of Resolution 3 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved.

However, this does not apply to a vote cast in favour of Resolution 3 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with the directions given to the proxy or attorney to vote on Resolution 3 in that way; or
- b. the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 3; and
 - ii. the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4. Approval to Issue Securities under the ELMO Software Limited Equity Plan

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

"That, for the purposes of ASX Listing Rule 7.2, Exception 13 and all other purposes, the ELMO Software Limited Equity Plan as described in the Explanatory Statement accompanying and forming part of this Notice of Meeting be approved for the issue of securities under the ELMO Software Limited Equity Plan."

Voting exclusion statement:

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by any person who is eligible to participate in the ELMO Software Limited Equity Plan and any of their associates.

The Non-executive Directors are ineligible to participate in the ELMO Software Limited Equity Plan. As a result, Non-executive Directors will not be excluded from voting on Resolution 4.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- a. a person as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- b. the Chairman of the Meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with a direction given to the Chairman to vote on the Resolution as the Chairman of the Meeting decides; or
- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 250BD of the *Corporations Act 2001* (Cth), a vote must not be cast on Resolution 4 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chairman of the Meeting where the proxy appointment expressly authorises the Chairman of the Meeting to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 5. Renewal of Proportional Takeover Provisions

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

"That, the proportional takeover provision in Rule 37 of the Company's Constitution, as set out in Attachment B of the Notice of Meeting, be renewed for a period of three years commencing on the day this resolution is passed."

BY ORDER OF THE BOARD



Anna Sandham
Company Secretary

7 September 2020

ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7.00pm (Sydney time) on Tuesday, 6 October 2020, (being 2 days before the AGM) will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the *Corporations Act 2001* (Cth) (the **Act**) to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 2.00pm (Sydney time) on Tuesday, 6 October 2020 (being 48 hours before the AGM). Proxies must be received before that time by one of the following methods:

Online (preferred): www.linkmarketservices.com.au

By post: ELMO Software Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

By facsimile: 02 9287 0309 (within Australia)
+61 2 9287 0309 (from outside Australia)

By delivery in person: Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138
(during business hours only)

To be valid, a proxy form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Power of Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 2.00pm (Sydney time) on Tuesday, 6 October 2020, being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. A "Certificate of Appointment of Corporate Representative" form may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

IMPORTANT: If you appoint the Chairman of the Meeting as your proxy, or the Chairman becomes your proxy by default, and you do not direct your proxy how to vote on Resolutions 2 and 4, then by submitting the proxy form you will be expressly authorising the Chairman to exercise your proxy on the relevant resolution, even though the resolutions are connected, directly or indirectly, with the remuneration of the KMP.

Voting at the Meeting

It is intended that voting on each of the proposed resolutions at this Meeting will be conducted by a poll, rather than on a show of hands.

SHAREHOLDER QUESTIONS

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.linkmarketservices.com.au, select Voting then click 'Ask a Question'.

This includes any questions for the Chairman or Deloitte Touche Tohmatsu (our external auditor).

To allow time to collate questions and prepare answers, please submit any questions by 2.00pm (Sydney time) on Thursday, 1 October 2020 (being no later than the fifth business day before the AGM is held). Questions will be collated and, during the AGM, the Chairman will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

ENCLOSURES

Enclosed are the following documents:

- a proxy form to be completed if you would like to be represented at the AGM by proxy. Shareholders are encouraged to use the online voting facility that can be accessed on ELMO's share registry's website at www.linkmarketservices.com.au to ensure the timely and cost effective receipt of your proxy; and
- a reply paid envelope for you to return the proxy form.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of the Company (**Shareholders**) in relation to the business to be conducted at the Company's AGM to be held on Thursday, 8 October 2020.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend Shareholders vote in favour of all Resolutions. The Chairman of the Meeting intends to vote all available undirected proxies in favour of each resolution.

Resolutions 1, 3 and 4 are ordinary resolutions, which require a simple majority of votes cast by Shareholders present and entitled to vote on the resolution. Resolution 2, relating to the Remuneration Report, is advisory only and does not bind the Directors or the Company. Resolution 5 is to be voted on as a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution.

Resolution 1. Re-election of Director – Barry Lewin

The Board appointed Barry Lewin as an independent Non-Executive Director and Chairman of the Company on 10 October 2018 and he was elected as a Director by shareholders at the 2018 AGM. In accordance with clause 69.2 of the Constitution, the Company must hold a re-election of directors at every AGM. Directors being elected under clause 68.2 of the Constitution do not count for this purpose.

Barry Lewin retires from office at the conclusion of the AGM and being eligible offers himself for re-election as a Director of the Company. If shareholders do not approve the re-election of Barry Lewin, then Barry Lewin will cease to be a Director at the conclusion of the meeting. ASX Listing Rule 14.4 provides that a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Prior to Barry Lewin's appointment, the company completed several background and screening checks with no adverse findings.

The Board also considered whether Barry Lewin had any interest, position or relationship that may interfere with each of his independence as a Director, having regard to the relevant factors as set out in the ASX Corporate Governance Principles & Recommendations (4th edition) (**ASX Principles**). The Board considers that Barry Lewin (if elected), will continue to be an independent Director.

Barry currently serves as the Chair of the Board and is a member of each of ELMO's Nomination and Remuneration Committee and Audit & Risk Committee.

Barry is the Founder and Managing Director of Melbourne-based corporate advisory firm SLM Corporate Pty Ltd where he advises public and private companies on mergers, acquisitions, transaction structuring, debt and equity issues, business sales and on all aspects of corporate governance. Prior to establishing SLM Corporate in 1999, Barry spent 12 years as an in-house counsel to a number of ASX-listed companies.

Barry is non-executive Chairman of ASX-listed Praemium Limited (ASX:PPS) and QuickFee Limited (ASX:QFE), and has held previous directorships at ASX-listed Senetas Corporation Limited (ASX:SEN) and Clean TeQ Holdings Limited (ASX:CLQ), where he also served as Chairman of the Audit Committee.

He has degrees in Commerce and Law and holds an MBA from Swinburne University.

Prior to submitting himself for election, Barry Lewin has confirmed that he would continue to have sufficient time to properly fulfil his duties and responsibilities to the Company.

The Board supports the election of Barry Lewin as he will contribute to the Board with his proven commercial acumen and deep public company experience, as well as complementing the skills of the existing directors and enable ELMO to execute on its growth strategy.

The Directors, with Barry Lewin abstaining, unanimously recommend Shareholders vote in favour of this Resolution 1.

Resolution 2. Adoption of Remuneration Report

Section 250R(2) of the *Corporations Act 2001* (Cth) (the **Act**) requires that the section of the Directors' Report dealing with the remuneration of directors and key management personnel (**KMP**) of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

Shareholders can view the full Remuneration Report in the 2020 Annual Report which is available on ELMO's website at <https://investors.elmosoftware.com.au>.

Following consideration of the Remuneration Report, the Chairman of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

The Directors abstain, in the interests of good governance, from making a recommendation in relation to this Resolution 2.

Resolution 3. Issue of Placement Shares to Professional and Sophisticated Investors

Background about the Placement

On 12 May 2020, the Company announced details of a placement to professional and sophisticated investors to subscribe for new ELMO fully paid ordinary shares at a price of A\$7.00 per share, to raise approximately A\$70million (**Placement**). The Placement was fully underwritten by UBS AG, Australia Branch (**UBS**) and Canaccord Genuity (Australia) Limited (**Canaccord**).

The Placement of 10,000,000 shares was issued on 18 May 2020 under ELMO's 15% placement capacity in accordance with ASX Listing Rule 7.1.

The funds raised from the Placement will be used to accelerate organic growth initiatives and to fund acquisition opportunities.

Specific information about the Placement

Under ASX Listing Rule 7.1, a listed entity must obtain ordinary shareholder approval if it wants to issue, or agree to issue, more than 15% of its equity securities over any 12 month period based on the number of fully paid ordinary securities it had on issue at the start of that 12 month period. As described above, the Placement was made within the 15% limit permitted under ASX Listing Rule 7.1 and without shareholder approval, thereby reducing the Company's remaining available capacity. ASX Listing Rule 7.4.2 provides that shareholders may approve an issue of, or agreement to issue, securities after the fact so that the securities issued are regarded as having been made with approval for the purpose of ASX Listing Rule 7.1.

The Company is seeking approval of Resolution 3 for the purposes of ASX Listing Rule 7.4 to enable the Company to refresh its issuing capacity under ASX Listing Rule 7.1, thereby providing the Company with the flexibility to issue further securities under ASX Listing Rule 7.1 if the need arises in the next 12 months.

If shareholders approve Resolution 3, the issue will be excluded in calculating ELMO's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the shares.

If shareholders do not approve Resolution 3, the issue will be included in calculating ELMO's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the shares.

For the purposes of ASX Listing Rule 7.5, the following information is provided:

- shares under the Placement have been issued to:
 - a range of institutional, sophisticated and professional investors, all unrelated parties of the Company who qualify under the requirements of sections 9 and 708 of the *Corporations Act* and who were identified by UBS and/or Canaccord as joint lead managers to the issue;
 - international resident investors to whom an offer of the Placement shares did not require disclosure under the laws of the relevant jurisdiction; and
- the number of shares issued under the Placement was 10,000,000.
- the shares issued under the Placement are fully paid ordinary shares which rank equally with all other existing shares from the date of issue.
- the shares under the Placement were issued on 18 May 2020.

EXPLANATORY MEMORANDUM

- the shares issued under the Tranche 1 Placement were issued at a price of A\$7.00 cents per share.
- the net proceeds raised from the Institutional Placement are being, and will be used for organic growth initiatives and to fund acquisition opportunities.
- a Voting Exclusion Statement accompanies Resolution 3 in the Notice of Meeting.

The Directors unanimously recommend Shareholders vote in favour of this Resolution 3.

Resolution 4: Approval to Issue Securities under the ELMO Software Limited Equity Plan

ASX Listing Rule 7.1 provides that a listed company must not, without prior approval of its shareholders, issue or agree to issue securities if the number of securities issued or agreed to be issued, or when aggregated with the number of shares issued by the company during the 12 months immediately preceding the date of issue or agreement, exceeds 15% of the number of shares on issue at the start of that 12 month period.

Listing Rule 7.2, exception 13 provides an exception to ASX Listing Rule 7.1 such that an issue under an employee incentive scheme is not calculated as part of the 15% limitation if, within three years before the issue date one of the following occurred:

- in the case of a scheme established before the entity was listed, a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the Prospectus; or
- ordinary shareholders approved the issue of equity securities under the scheme as an exception to Listing Rule 7.1 in accordance with the Listing Rules.

A summary of the terms of ELMO Software Limited's Equity Plan (**Plan**) was set out in the Company's Prospectus released to ASX on 27 June 2017. Official quotation of ELMO's securities on the ASX commenced on 29 June 2017 and this is the first time since the Company's listing on ASX that shareholders are being asked to approve the Plan.

If shareholders approve Resolution 4, any issue of securities under the Plan during the 3 year period after the AGM will not use up any of ELMO's 15% capacity on issuing equity securities without shareholder approval. However, exception 13 does not apply to Directors and their associates, who are deemed related parties of the Company, and issues to such persons will require separate approval under Listing Rule 10.14.

If shareholders do not approve Resolution 4, the issue of securities under the Plan will be included in calculating ELMO's 15% capacity in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the issue of the securities.

An approval under this Resolution is only available to the extent that:

- any issue of equity securities under the Plan does not exceed the maximum number of securities proposed to be issued as set out in this Notice under Resolution 4; and
- there is no material change to the terms of the Plan.

Background

ELMO has established both a Senior Executive Equity Plan (**SEEP**) and a High Performer Equity Plan (**HPEP**) as part of its Long Term Incentive Program.

Equity incentives under the SEEP or the HPEP may be granted to employees (or such other person that the Board determines is eligible to participate) in respect of FY18 and beyond. Offers will be made at the discretion of the Board. The terms of the incentives granted under these plans will be determined by the Board at grant and may therefore vary over time. ELMO will regularly assess the appropriateness of its incentive plans and may amend or replace, suspend or cease using either or both of the SEEP or HPEP if considered appropriate by the Board. Further information is provided in Attachment A.

For the purposes of ASX Listing Rule 7.2 exception 13 the following information is provided

- a summary of the key terms of the Plan is set out in Attachment A.
- a total of 1,605,590 equity securities have been issued under the Plan since the Company listed on the ASX.
- subject to shareholder approval, the maximum number of equity securities proposed to be issued under the SEEP and HPEP within the three year period from the date this resolution is approved is approximately 1,056,396 of equity securities representing approximately 1.23% of the shares of the company as at 14 August 2020. This maximum number is not intended to be a prediction of the actual number of securities to be issued under the SEEP or HPEP, simply an indication for the purposes of Listing Rule 7.2, exception 13(b).
- a voting exclusion statement is included in the Notice.

The Directors, with Danny Lessem (who is currently eligible to participate in the Plan) abstaining, unanimously recommend Shareholders vote in favour of this Resolution 4.

Resolution 5: Renewal of Proportional Takeover Provisions

Rule 37 of the Constitution provides that the Company must not register a transfer of shares which would give effect to a contract, resulting from the acceptance of an offer made under a proportional takeover bid unless shareholders, in a general meeting, approve the offer. Under the *Corporations Act 2001* (Cth) and rule 37.9 of the Constitution, rule 37 (inclusive) ceases to have effect at the end of three years from when they were adopted or on the date that they were last renewed.

The proposed resolution seeks to reinstate the provision of rule 37 (inclusive) of the Constitution for three years from the date of approval of the proposed resolution.

The Directors consider that it is in the interests of shareholders for the Company to include a proportional takeover rule and approval is therefore being sought to renew rule 37 (inclusive) of the constitution.

What is a proportional takeover bid?

In a proportional takeover bid, the bidder offers to buy a proportion only of each shareholder's shares in the target company.

Why are the proportional takeover approval provisions required?

A proportional takeover bid means that control of a company may pass without shareholders having the chance to sell all of their shares to the bidder. In addition, this means the bidder may take control of a company without paying an adequate amount for gaining control.

In order to deal with this possibility, the *Corporations Act 2001* (Cth) permits a company, in certain circumstances to provide in its constitution that if a proportional takeover bid is made for shares in the company, shareholders must vote at a general meeting on whether to accept or reject the offer.

The majority decision of shareholders present and voting at the meeting will be binding on all shareholders.

The benefit of the provision is that shareholders are able to decide collectively whether the proportional offer is acceptable in principle and it may ensure that any partial offer is appropriately priced.

If the offer does proceed, individual shareholders can then make a separate decision as to whether they wish to accept the bid for their shares.

What is the effect of the proportional takeover approval provisions?

If a proportional takeover bid is made, the Directors must ensure a shareholder vote on a resolution to approve the bid at least 14 days before the last day of the bid period. The vote is decided on a simple majority.

Each person who, as at the end of the day on which the first offer under the bid was made, held bid class securities, is entitled to vote, but the bidder and its associates are not allowed to vote (and if they do vote, their votes must not be counted).

If the resolution is not passed, transfers which would have resulted from the acceptance of a bid will not be registered and the bid will be taken to have been withdrawn. Any contracts formed by acceptances will be rescinded. If the bid is approved (or taken to have been approved), the transfers must be registered provided they comply with the *Corporations Act 2001* (Cth) and the Company's Constitution.

If the resolution is not voted on before the 14 day deadline specified in the *Corporations Act 2001* (Cth), the bid will be taken to have been approved.

The proportional takeover approval provisions do not apply to full takeover bids and only apply for 3 years from that date of their renewal pursuant to Resolution 5. The provisions may again be renewed by a special resolution of shareholders.

No present acquisition proposals

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

EXPLANATORY MEMORANDUM

Potential advantages and disadvantages

While the renewal of rule 37 (inclusive) will allow the Board to ascertain shareholders' views on a proportional takeover bid, the Directors consider that the proportional takeover approval provisions have no potential advantages or disadvantages for them. They remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover approval provisions for shareholders include:

- the provisions give all shareholders (other than the offeror and its associates) an opportunity to study the terms of a proportional takeover proposal to determine whether it is in their best interests that it proceed and, on that basis, enables shareholders to decide whether or not to accept the offer;
- the provisions may discourage the making of a proportional takeover bid which may be considered to be opportunistic and may prevent control of the Company passing without the payment of an appropriate control premium;
- the provisions may assist shareholders in not being locked in to a minority interest in the Company;
- the provisions may increase shareholders' bargaining power and may assist in ensuring that any future proportional takeover offer is structured so as to be attractive to a majority of independent shareholders; and
- knowing the view of the majority of shareholders may assist each individual shareholder in assessing the likely outcome of the proportional takeover scheme bid and whether to approve or reject that bid.

The potential disadvantages for shareholders include:

- proportional takeover bids for shares in the Company may be discouraged and may reduce any speculative element in the market price of the Company's shares arising from a takeover offer being made;
- shareholders may lose an opportunity of selling some of their shares at a premium;
- the chance of a proportional takeover bid being successful may be reduced due to the delay, cost and uncertainty in convening a General Meeting; and
- the renewal of rule 37 (inclusive) may also be considered an additional restriction on the ability of shareholders to deal freely with their shares.

The Board considers that the potential advantages for shareholders of the proportional takeover approval provisions outweigh the potential disadvantages. In particular, shareholders as a whole are able to decide whether or not a proportional takeover bid is successful.

The Directors unanimously recommend that shareholders vote in favour of Resolution 5.

ATTACHMENT A

– KEY TERMS OF ELMO'S EQUITY PLAN RULES

The key terms of ELMO's Equity Plan Rules are as follows:

Where applicable, defined terms have the same meaning as provided in ELMO's Equity Plan Rules.

Long-term incentive Plan (LTI Program)

ELMO has established both a Senior Executive Equity Plan (SEEP) and a High Performer Equity Plan (HPEP) as part of its LTI Program.

Equity incentives under the SEEP or the HPEP may be granted to employees (or such other person that the Board determines is eligible to participate) in respect of FY18 and beyond. Offers will be made at the discretion of the Board. The terms of the incentives granted under these plans will be determined by the Board at grant and may therefore vary over time. ELMO will regularly assess the appropriateness of its incentive plans and may amend or replace, suspend or cease using either or both of the SEEP or HPEP if considered appropriate by the Board.

The Senior Executive Equity Plan (SEEP)

The SEEP is intended to align the interests of the senior executives with Shareholders. Awards under the SEEP will be structured as an option to receive Shares at a future date subject to the recipient paying the exercise price (SEEP Option). The rules of the SEEP will provide the Board with the flexibility to award restricted shares, performance rights and options, and to cash settle any award, at the discretion of the Board.

Grants under the SEEP are expected to be made annually and will be made to the senior executive team and such other executives as the Board may determine from time to time. Any grants will be made subject to the ASX Listing Rules, to the extent applicable.

Prior to FY19, the key terms of the SEEP are set out in the table below:

What is the performance period?	The performance period will commence on 1 July of the year of grant and will conclude on 30 June three years later.
What is the vesting period?	<p>SEEP Options will vest in three tranches over a three year period from the grant date in the following proportions:</p> <p>Year 1 – 20%</p> <p>Year 2 – 30%</p> <p>Year 3 – 50%</p> <p>Vesting of each tranche will occur to coincide with the date of the release of the annual financial results or such other date determined by the Board, subject to the Board determining that the applicable vesting conditions have been satisfied.</p>
Vesting condition	Participants must be employed on the vesting date (subject to being a "Good Leaver" – see below).
What are the performance conditions?	The SEEP Options will be tested against a relative Total Shareholder Return (TSR) performance condition (see below). There will be no re-testing of the performance condition.
How does the TSR performance condition work?	<p>Performance will be tested relative to a peer group comprising the constituent companies in the S&P/ASX 300 excluding mining and energy companies. The TSR of each company will be measured from the start of the performance period to the end of the performance period.</p> <p>Performance will be tested at the end of each vesting period (in years 1, 2 and 3) to determine the extent to which ELMO has satisfied the TSR performance condition.</p> <p>Vesting will apply against this target if the following is met:</p> <ul style="list-style-type: none"> • 100% of the SEEP Options will vest if ELMO ranks at or above the 75th percentile; • straight line vesting of between 99% and 66% of the SEEP Options will occur if ELMO ranks between the 50th percentile and the 75th percentile; • 65% of the SEEP Options will vest if ELMO ranks at the 50th percentile; and • 0% of the SEEP Options will vest if ELMO ranks below the 50th percentile.

ATTACHMENT A

– KEY TERMS OF ELMO'S EQUITY PLAN RULES

Exercise Period	<p>Participants will have three years from vesting to exercise any vested SEEP Options.</p> <p>SEEP Options may only be exercised during a four week trading window after the release of the half year results, release of full year results, or the annual general meeting.</p> <p>The Board will retain discretion to impose disposal restrictions on the award of future SEEP Options.</p>
What are the rights attaching to the Options?	SEEP Options do not entitle participants to receive dividends or vote. Participants are not entitled to participate in new issues of Shares, including by way of bonus issues or rights issues.
What happens on cessation of employment?	<p>Employees who cease employment before the vesting date will forfeit their SEEP Options after 60 days of leaving ELMO, unless they are a "Good Leaver", and subject to an overall Board discretion.</p> <p>A "Good Leaver" is an employee who ceases employment due to death, ill-health, or total permanent disability. A Good Leaver will be entitled to retain their SEEP Options on a pro-rata basis and those SEEP Options will remain on foot and be tested against the performance conditions as at the next vesting date.</p>
What happens on a change of control?	<p>In the event of either of the following circumstances:</p> <ol style="list-style-type: none"> a takeover bid (as defined in the Corporations Act) to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; or a merger by way of scheme of arrangement under the Corporations Act has been approved by a court of competent jurisdiction under section 411(4)(b) of the Corporations Act, the SEEP Options shall vest in full. The Board may determine that an event is not a Change of Control event for the purposes of the SEEP.

After FY19, the key terms of the SEEP are set out in the table below:

What is the performance period?	The performance period will commence on 1 July of the year of grant and will conclude on 30 June three years later.
What is the vesting period?	<p>SEEP Performance Rights will vest in three tranches over a three year period from the grant date in the following proportions:</p> <p>Year 1 – 20%</p> <p>Year 2 – 30%</p> <p>Year 3 – 50%</p> <p>Vesting of each tranche will occur to coincide with the date of the release of the annual financial results or such other date determined by the Board, subject to the Board determining that the applicable vesting conditions have been satisfied.</p>
Vesting condition	Participants must be employed on the vesting date (subject to being a "Good Leaver" – see below).
What are the performance conditions?	<p>The SEEP Performance Rights will be tested against:</p> <ul style="list-style-type: none"> • 50% relative Total Shareholder Return (TSR) performance condition (see below). There will be no re-testing of the performance condition; and • 50% material achievement of company guidance at the Board's discretion.

How does the TSR performance condition work?	<p>Performance will be tested relative to a peer group comprising the constituent companies in the S&P/ASX 300 excluding mining and energy companies. The TSR of each company will be measured from the start of the performance period to the end of the performance period.</p> <p>Performance will be tested at the end of each vesting period (in years 1, 2 and 3) to determine the extent to which ELMO has satisfied the TSR performance condition.</p> <p>Vesting will apply against this target if the following is met:</p> <ul style="list-style-type: none"> • 100% of the SEEP Performance Rights will vest if ELMO ranks at or above the 75th percentile; • straight line vesting of between 99% and 66% of the SEEP Performance Rights will occur if ELMO ranks between the 50th percentile and the 75th percentile; • 65% of the SEEP Performance Rights will vest if ELMO ranks at the 50th percentile; and • 0% of the SEEP Performance Rights will vest if ELMO ranks below the 50th percentile.
Exercise Period	<p>Participants will have three years from vesting to exercise any vested SEEP Performance Rights.</p> <p>SEEP Performance Rights may only be exercised during a four week trading window after the release of the half year results, release of full year results, or the annual general meeting.</p> <p>The Board will retain discretion to impose disposal restrictions on the award of future SEEP Performance Rights.</p>
What are the rights attaching to the Performance Rights?	SEEP Performance Rights do not entitle participants to receive dividends or vote. Participants are not entitled to participate in new issues of Shares, including by way of bonus issues or rights issues.
What happens on cessation of employment?	<p>Employees who cease employment before the vesting date will forfeit their SEEP Performance Rights after 60 days of leaving ELMO, unless they are a "Good Leaver", and subject to an overall Board discretion.</p> <p>A "Good Leaver" is an employee who ceases employment due to death, ill-health, or total permanent disability. A Good Leaver will be entitled to retain their SEEP Performance Rights on a pro-rata basis and those SEEP Performance Rights will remain on foot and be tested against the performance conditions as at the next vesting date.</p>
What happens on a change of control?	<p>In the event of either of the following circumstances:</p> <ol style="list-style-type: none"> a takeover bid (as defined in the Corporations Act) to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; or a merger by way of scheme of arrangement under the Corporations Act has been approved by a court of competent jurisdiction under section 411(4)(b) of the Corporations Act, the SEEP Performance Rights shall vest in full. The Board may determine that an event is not a Change of Control event for the purposes of the SEEP.

ATTACHMENT A

– KEY TERMS OF ELMO'S EQUITY PLAN RULES

The High Performers Equity Plan (HPEP)

The HPEP is intended to reward and retain management and high performing employees, linked to performance and providing an equity interest. Awards under the HPEP will be structured as an option or Performance Rights to receive Shares at a future date (subject to the recipient paying the exercise price if an HPEP Option). The rules of the HPEP will provide the Board with the flexibility to award restricted shares, performance rights and options, and to cash settle any award, at the discretion of the Board.

Grants under the HPEP are expected to be made annually (expected to be at the time of the annual remuneration review) and will be made to employees and such other persons that the Board considers eligible from time to time. To ensure that management has conditions that are personally achievable, it is intended that awards will be tested against measures personal to the employee (for example, the profit of a business unit). Any grants will be made subject to the ASX Listing Rules, to the extent applicable.

Prior to FY19, the key terms of the HPEP are set out in the table below:

What is the performance period?	The performance period will commence on 1 July of the year of grant and will conclude on 30 June the following year.
What is the vesting period?	HPEP Options will vest one year after the end of the performance period, subject to the personal performance conditions being satisfied.
Vesting condition	Participants must be employed on the vesting date (subject to being a "Good Leaver" – see below).
What are the personal performance conditions?	The personal performance condition will relate to conditions that are in the control of the employee, for example divisional profit targets, strategic measures or such other conditions as ELMO decides.
Exercise Period	Participants will have three years from vesting to exercise any vested HPEP Options. HPEP Options may only be exercised during a four week trading window after the release of the half year results, release of full year results, or the annual general meeting. The Board will retain discretion to impose disposal restrictions on the award of future HPEP Options.
What are the rights attaching to the Options?	What are the rights attaching to the Options? Options do not entitle participants to receive dividends or vote. Participants are not entitled to participate in new issues of shares, including by way of bonus issue or rights issues.
What happens on cessation of employment?	Employees who cease employment before the vesting date will forfeit their HPEP Options after 60 days of leaving ELMO, unless they are a "Good Leaver", and subject to an overall Board discretion. A "Good Leaver" is an employee who ceases employment due to death, ill-health, total permanent disability. A Good Leaver will be entitled to retain their HPEP Options on a pro-rata basis and those HPEP Options will remain on foot and be tested against the performance conditions as at the next vesting date.
What happens on a change of control?	In the event of either of the following circumstances: i. a takeover bid (as defined in the Corporations Act) to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; ii. a merger by way of scheme of arrangement under the Corporations Act has been approved by the Court under section 411(4)(b) of the Corporations Act, iii. the HPEP Options shall vest in full. The Board may determine that an event is not a Change of Control event for the purposes of the HPEP.

After FY19, the key terms of the HPEP are set out in the table below:

What is the performance period?	The performance period will commence on 1 July of the year of grant and will conclude on 30 June the following year.
What is the vesting period?	HPEP Performance Rights will vest one year as soon as reasonable practical following vesting.
Vesting condition	Participants must be employed on the vesting date (subject to being a "Good Leaver" – see below).
What are the personal performance conditions?	The personal performance condition will relate to conditions that are in the control of the employee, for example divisional profit targets, strategic measures or such other conditions as ELMO decides.
Exercise Period	<p>Participants will have three years from vesting to exercise any vested HPEP Performance Rights.</p> <p>HPEP Performance Rights may only be exercised during a four week trading window after the release of the half year results, release of full year results, or the annual general meeting.</p> <p>The Board will retain discretion to impose disposal restrictions on the award of future HPEP Performance Rights.</p>
What are the rights attaching to the Performance Rights?	Performance Rights do not entitle participants to receive dividends or vote. Participants are not entitled to participate in new issues of shares, including by way of bonus issue or rights issues.
What happens on cessation of employment?	<p>Employees who cease employment before the vesting date will forfeit their HPEP Performance Rights after 60 days of leaving ELMO, unless they are a "Good Leaver", and subject to an overall Board discretion.</p> <p>A "Good Leaver" is an employee who ceases employment due to death, ill-health, total permanent disability. A Good Leaver will be entitled to retain their HPEP Performance Rights on a pro-rata basis and those HPEP Performance Rights will remain on foot and be tested against the performance conditions as at the next vesting date.</p>
What happens on a change of control?	<p>In the event of either of the following circumstances:</p> <ol style="list-style-type: none"> a takeover bid (as defined in the Corporations Act) to acquire any Shares becomes or is declared to be unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; a merger by way of scheme of arrangement under the Corporations Act has been approved by the Court under section 411(4)(b) of the Corporations Act, the HPEP Performance Rights shall vest in full. The Board may determine that an event is not a Change of Control event for the purposes of the HPEP.

ATTACHMENT B

– EXTRACT FROM ELMO'S CONSTITUTION

Proportional takeovers

37. Proportional takeovers

37.1 In this rule 37:

- 1) **proportional takeover offer** means a proportional takeover bid as defined in section 9 of the Act and regulated by section 648D of the Act;
- 2) **relevant day** in relation to a proportional takeover offer means the day that is the 14th day before the end of the period during which the offers under the proportional takeover offer remain open; and
- 3) a reference to an **associate** of another person has the meaning given to that expression by Division 2 of Part 1.2 of the Act.

37.2 Where offers have been made under a proportional takeover offer in respect of shares included in a class of shares in the Company:

- 1) other than where a transfer is effected in accordance with the takeover provisions (if any) under the ASX Settlement Rules, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional takeover offer is prohibited unless and until a resolution (in this rule 37 referred to as an **approving resolution**) to approve the proportional takeover offer is passed in accordance with this rule 37;
- 2) a person (other than the offeror or an associate of the offeror) who, as at the end of the day on which the first offer under the proportional takeover offer was made, held shares in that class is entitled to vote on an approving resolution and, for the purpose of so voting, is entitled to 1 vote for each of the shares;
- 3) an approving resolution must be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the resolution; and
- 4) an approving resolution that has been voted on, is taken to have been passed if it is passed by more than 50% of the votes cast by members entitled to vote on the resolution, and otherwise is taken to have been rejected.

37.3 The provisions of this Constitution that apply in relation to a general meeting of the Company apply with any modifications the circumstances require, in relation to a meeting that is convened under this rule 37 as if the last mentioned meeting were a general meeting of the Company.

37.4 Where takeover offers have been made under a proportional takeover offer then the directors must ensure that a resolution to approve the proportional takeover offer is voted on in accordance with this rule 37 before the relevant day in relation to the proportional takeover offer.

37.5 Where a resolution to approve a takeover scheme is voted on in accordance with this rule 37, the Company must, on or before the relevant day in relation to the proportional takeover offer:

- 1) give to the offeror; and
- 2) serve on each notifiable securities exchange in relation to the Company;

a notice in writing stating that a resolution to approve the proportional takeover offer has been voted on and that the resolution has been passed, or has been rejected, as the case requires.

37.6 Where, at the end of the day before the relevant day in relation to a proportional takeover offer under which offers have been made, no resolution to approve the proportional takeover offer has been voted on in accordance with this rule 37, a resolution to approve the proportional takeover offer must, for the purposes of this rule 37, be treated as having been passed in accordance with this rule 37.

37.7 Where a resolution to approve a proportional takeover offer is voted on in accordance with this rule 37 before the relevant day in relation to the proportional takeover offer and is rejected, then:

- 1) despite section 652A of the Act, all offers under the proportional takeover offer that have not, as at the end of the relevant day, been accepted, and all offers under the takeover scheme that have been accepted and from whose acceptance binding contracts have not, at the end of the relevant day, resulted, must be treated as withdrawn at the end of the relevant day; and
- 2) a person who has accepted an offer made under the proportional takeover offer is entitled to rescind the contract (if any) resulting from that acceptance.

37.8 Nothing in this rule 37 authorises the Company to interfere with any takeover transfer procedures contained in the ASX Settlement Rules.

37.9 This rule 37 ceases to have effect on the 3rd anniversary of the date of its adoption or of its most recent renewal.



ABN 13 102 455 087

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
ELMO Software Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of ELMO Software Limited (Company) and entitled to attend and vote hereby...

APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

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

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm on Thursday, 8 October 2020, online <https://agmlive.link/EL02020> and at the offices of ELMO Software Limited, Level 27, 580 George Street Sydney, New South Wales** (the Meeting) and at any postponement or adjournment of the Meeting.

The meeting will be conducted as a virtual meeting (refer to details in the Virtual General Meeting Online Guide and Notice of Meeting). The Notice of Meeting can be viewed and downloaded at <http://bit.ly/ELO-AGM>

Important for Resolutions 2 & 4: If the Chairman of the Meeting, as your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise a proxy in respect of Resolutions 2 & 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

1 Re-election of Director – Barry Lewin

2 Adoption of Remuneration Report

3 Ratification of Placement

4 Approval to Issue Securities under the ELMO Long Term Incentive Plan

5 Renewal of Proportional Takeover Provisions

For Against Abstain*

For Against Abstain*

☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐

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

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

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

ELO PRX2001N

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm on Tuesday, 6 October 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

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



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



MAIL

Link Market Services Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

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

Virtual Meeting Online Guide

Virtual Meeting Online Guide

Before you begin

Ensure your browser is compatible. You can easily check your current browser by going to the website: **whatismybrowser.com**

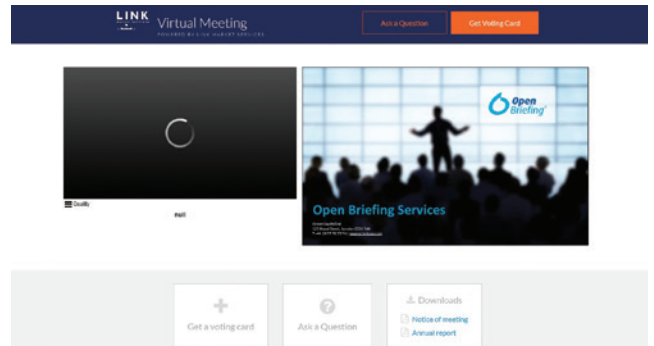
Supported browsers are:

- Chrome – Version 44 & 45 and after
- Firefox – 40.0.2 and after
- Safari – OS X v10.9 “Mavericks” & OS X v10.10 “Yosemite” and after
- Internet Explorer 9 and up (please note Internet Explorer 8 is not supported)

The virtual meeting is viewable from desktops and laptops. To attend and vote at the virtual Meeting you must have:

- ASX registered holders: Shareholder number and postcode

If you are an appointed proxy you will need your proxy number which will be provided by Link Market Services prior to the meeting. **Please make sure you have this information before proceeding.**



Step 2

Login to the portal using your full name, email address, and company name (if applicable).

Please read and accept the terms and conditions before clicking on the blue **‘Register and Watch Meeting’** button. Once you have logged in you will see:

- On the left – a live video webcast of the Meeting
- On the right – the presentation slides that will be addressed during the Meeting.

Note: After you have logged in we recommend that you keep your browser open for the duration of the meeting. If you close your browser, your session will expire. If you attempt to log in again, you will be sent a recovery link via email for security purposes.

Step 1

Open your web browser and go to <https://agmlive.link/ELO2020> and select the relevant meeting.



Navigating

At the bottom of the webpage under the webcast and presentation there are three boxes. Refer to each section below for operating instructions.

- 1 Get a voting card
- 2 Ask a Question
- 3 Downloads



Get a voting card



Ask a Question

Downloads
Notice of meeting
Annual report

1. Get a voting card

To register to vote - click on the 'Get a voting card' box at the top of the webpage or below the videos.

Get Voting Card



Get a voting card

This will bring up a box which looks like this.

Voting Card

Please provide your Shareholder or Proxy details

SHAREHOLDER DETAILS

Shareholder Number

Post Code

Outside Australia

SUBMIT DETAILS AND VOTE

OR

PROXY DETAILS

Proxy Number

SUBMIT DETAILS AND VOTE

If you are an individual or joint Shareholder you will need to register and provide validation by entering your details in the top section:

- **ASX registered holders:** Shareholder number and postcode

If you are an appointed Proxy, please enter the Proxy Number issued to you by Link Market Services in the PROXY DETAILS section. Once you have entered your appropriate details click the blue **'SUBMIT DETAILS AND VOTE'** button.

Once you have registered, your voting card will appear with all of the resolutions to be voted on by Shareholders at the Meeting (as set out in the Notice of Meeting). You may need to use the scroll bar on the right hand side of the voting card to scroll up or down to view all resolutions.

Shareholders and proxies can either submit a Full Vote or a Partial Vote. You can move between the two tabs by clicking on **'Full Vote'** or **'Partial Vote'** at the top of the voting card.

Virtual Meeting Online Guide

continued

The screenshot shows a web application for ABC COMPANY PTY LTD with a user ID of X123456789. The 'Voting Card' section contains instructions for voting. Below the instructions are two tabs: 'Full Vote' (selected) and 'Partial Vote'. The card lists four resolutions, each with 'For', 'Against', and 'Abstain' buttons. Resolution 2B is 'RE-ELECTION OF MR. ABC AS A DIRECTOR', Resolution 2C is 'RE-ELECTION OF MS XYZ AS A DIRECTOR', Resolution 3 is 'INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT', and Resolution 4 is 'ADOPTION OF REMUNERATION REPORT'. At the bottom is a large orange 'SUBMIT VOTE' button.

Resolution	For	Against	Abstain
Resolution 2B RE-ELECTION OF MR. ABC AS A DIRECTOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2C RE-ELECTION OF MS XYZ AS A DIRECTOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 INCREASE TO DIRECTORS' MAXIMUM FEE POOL LIMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 ADOPTION OF REMUNERATION REPORT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SUBMIT VOTE

Full Votes

To submit a full vote on a resolution ensure you are in the **'Full Vote'** tab. Place your vote by clicking on the **'For'**, **'Against'**, or **'Abstain'** voting buttons.

Partial Votes

To submit a partial vote on a resolution ensure you are in the **'Partial Vote'** tab. You can enter the number of votes you would like to vote (for any or all) resolution/s. The total amount of votes that you are entitled to vote for will be listed under each resolution. When you enter the number of votes in a certain box it will automatically tally how many votes you have left.

Note: If you are submitting a partial vote and do not use all of your entitled votes, the un-voted portion will be submitted as No Instruction and therefore will not be counted.

Once you have finished voting on the resolutions scroll down to the bottom of the box and click the blue **'Cast Vote'** or **'Cast Partial Vote'** button.

Note: You are able to close your voting card during the meeting without submitting your vote at any time while voting remains open. Any votes you have already made will be saved for the next time you open up the voting card. The voting card will appear on the bottom left corner of the webpage. The message **'Not yet submitted'** will appear at the bottom of the page.

You can edit your voting card at any point while voting is open by clicking on **'Edit Card'**. This will reopen the voting card with any previous votes made.

If at any point you have submitted your voting card and wish to make a change while voting is still open you can do so by clicking the **'Edit Card'** button and making the required change. Once you have completed your card select the blue **'Cast Vote'** or **'Cast Partial Vote'** button.

The voting card remains editable until the voting is closed at the conclusion of the Meeting. Once voting has been closed all voting cards, submitted and un-submitted, will automatically be submitted and cannot be changed.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide windows advising the remaining voting time available to shareholders. Please make any changes required to your voting cards at this point and submit your voting cards.

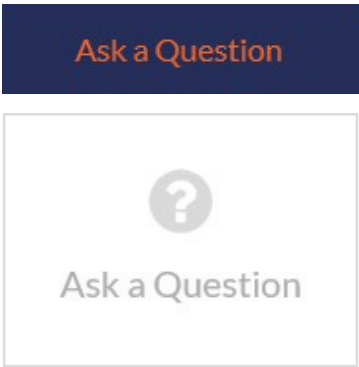
If an additional resolution is proposed during the meeting, there will be a short delay while the resolution is added to the voting card. Once the resolution has been added you will be notified by the Chairman during the meeting. In order to vote on the extra resolution you will need to reopen your voting card to cast your vote by clicking the **'Edit Card'** button.

Note: Registration for the Meeting and voting opens one hour before the meeting begins.

2. How to ask a question

Note: Only shareholders are eligible to ask questions.

You will only be able to ask a question after you have registered to vote. If you would like to ask a question, click on the 'Ask a Question' box either at the top or bottom of the webpage.



The 'Ask a Question' box will then pop up with two sections for completion.

Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding

General Business

Question

Type your question here...

Submit Question

In the 'Regarding' section click on the drop down arrow and select one of the following categories:

- General Business
- Resolution 1
- Resolution 2
- Resolution 3
- Resolution 4
- Resolution 5
- Resolution 6

After you have selected your question category, click in the 'Question' section and type your question.

When you are ready to submit your question - click the blue 'Submit Question' button. This will send the question to the Management/Board.

Note that not all questions are guaranteed to be answered during the Meeting, but we will do our best to address your concerns.

Once you have asked a question a 'View Questions' box will appear.

At any point you can click on 'View Questions' and see all the questions you have submitted. Only you can see the questions you have asked.

Note: You can submit your questions by this method one hour before the meeting begins, if you have registered to vote. You can continue to submit questions up until the close of voting.

If your question has been answered and you would like to exercise your right of reply, you can do so by submitting another question.

View questions

Your submitted questions can be viewed below. We will endeavour to answer all questions during the Meeting.

Question 1

General Business

When will you be holding your next AGM?

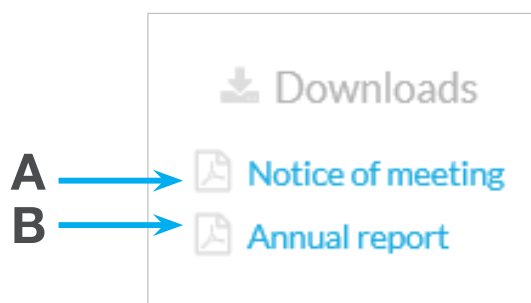
SUBMIT ANOTHER QUESTION

Virtual Meeting Online Guide

continued

3. Downloads

If you would like to see the Notice of Meeting or the Annual Report you can do so here.



- To download the Notice of Meeting – click A
- To download the Annual Report – click B

When you click on these links the file will open in another tab in your browser.

Voting closing

Voting will close 5 minutes after the close of the Meeting.

At the conclusion of the Meeting a red bar with a countdown timer will appear at the top of the Webcast and Slide screens advising the remaining voting time. If you have not yet submitted your vote at this point, you will be required to do so now.

At the close of the meeting any votes you have placed will automatically be submitted.



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