
LOCALITY PLANNING ENERGY HOLDINGS LIMITED

ACN 147 867 301

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the **Annual General Meeting** will be held at:

TIME: 10.00am (AEST)

DATE: Tuesday, 19th October 2021

PLACE: Locality Planning Energy Holdings Limited
Bluewater Boardroom, Foundation Place
Level 8, 8 Market Lane
Maroochydore QLD 4558

2021 Annual Report

A copy of Locality Planning Energy Holdings Limited's 2021 Annual Report, including the financial report, directors' report and auditors report for the year ended 30 June 2021 is available on the Company's website at <https://localityenergy.com.au/annual-reports-irm>

LOCALITY PLANNING ENERGY HOLDINGS LIMITED

ACN 147 867 301

NOTICE OF ANNUAL GENERAL MEETING

Tuesday, 19th October 2021

Notice is hereby given that the Annual General Meeting of Shareholders (**AGM**) of Locality Planning Energy Holdings Limited (**Company** or **LPE**) will be held on **Tuesday, 19th October 2021** at 10.00am (AEST) at Locality Planning Energy Holdings Limited, Bluewater Boardroom, Foundation Place, Level 8, 8 Market Lane, Maroochydore QLD 4558.

The Explanatory Statement that accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered at the AGM. Please ensure you read the Explanatory Statement in full.

AGENDA

1. ANNUAL REPORT

To receive and consider the Annual Financial Report of the Company and its controlled entities for the year ended 30 June 2021 which includes the Financial Report and the Directors' and Auditor's Reports.

2. RESOLUTION 1 – REMUNERATION REPORT

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

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2021 be adopted."

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

Voting Exclusion Statement: In accordance with Section 250R of the Corporations Act, the Company will disregard any votes cast (in any capacity) on Resolution 1 by or on behalf of either of the following persons:

- (a) A member of the Key Management Personnel, details of whose remuneration are included in the remuneration report;
- (b) A closely related party of such a member. A closely related party includes close family members and companies the Key Management Personnel controls.

However, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, either in accordance with a direction on the Proxy Form to vote as the proxy decides or pursuant to the express authorisation detailed on the Proxy Voting Form.

3. RESOLUTION 2 - ELECTION OF MR. BARNABY EGERTON-WARBURTON

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

"That Mr. Barnaby Egerton-Warburton who retires in accordance with Clause 14.4 of the Company's Constitution, and being eligible, be re-elected as a director of the Company."

4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE – PLACEMENT (LR 7.1)

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the issue 9,432,710 fully paid ordinary Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will 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, or any associates of those persons.

However, the Company will not disregard a vote cast in favour of resolution 3 by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair 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 chair to vote on the resolution as the chair 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 the directions given by the beneficiary to the holder to vote in that way.

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – PLACEMENT (LR 7.1A)

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the issue of 6,287,289 fully paid ordinary Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved or any associates of those persons.

However, the Company will not disregard a vote cast in favour of resolution 4 by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair 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 chair to vote on the resolution as the chair 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 the directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 5 – ISSUE OF NEW SHARES

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 14,280,000 fully paid ordinary Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue of the Shares the subject of Resolution 5 (except a benefit solely by reason of that person being the holder of Shares), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of resolution 5 by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair 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 chair to vote on the resolution as the chair 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 the directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 6 – ISSUE OF OPTIONS

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 for the Company to issue up to 15,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of a person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue of the Shares the subject of Resolution 6 (except a benefit solely by reason of that person being the holder of Shares), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of resolution 6 by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair 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 chair to vote on the resolution as the chair 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 the directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 7 – ISSUE OF NEW SHARES AND OPTIONS – MR JUSTIN PETTETT

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 1,000,000 Shares together with 500,000 Options to the Chairman, Mr. Justin Pettett (or his nominee), in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: In accordance with the *Corporations Act 2001 (Cth)* and the ASX Listing Rules, the Company will disregard any votes on Resolution 7:

- cast in favour of the resolution by or on behalf the Chairman (or his nominee) or any of his associates, regardless of the capacity in which the vote is cast; or
- cast as proxy by a person who is a member of the Company’s key management personnel (KMP) on the date of the meeting, an associate of that person or persons or their closely related parties.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy or attorney for a person who is entitled to vote in accordance with a direction given to the proxy or attorney to vote on the Resolution in that way, or
- by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with the express authorisation to exercise undirected proxies as the Chairman decides; or
- 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 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 given by the beneficiary to the holder to vote in that way.

9. RESOLUTION 8 – ISSUE OF BROKER OPTIONS TO FRESH EQUITIES PTY LTD

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 for the Company to issue 1,666,667 Options to Fresh Equities Pty Ltd (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of Fresh Equities Pty Ltd, or any associates of those persons.

However, the Company will not disregard a vote cast in favour of resolution 8 by:

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

- the chair 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 chair to vote on the resolution as the chair 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 the directions given by the beneficiary to the holder to vote in that way.

10. RESOLUTION 9 – ISSUE OF BROKER OPTIONS TO PAC PARTNERS SECURITIES PTY LTD

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 for the Company to issue 1,666,667 Options to PAC Partners Securities Pty Ltd (or their nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of PAC Partners Pty Ltd, or any associates of those persons.

However, the Company will not disregard a vote cast in favour of resolution 9 by:

- a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair 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 chair to vote on the resolution as the chair 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 the directions given by the beneficiary to the holder to vote in that way.

11. RESOLUTION 10 – APPROVAL OF GRANT OF UNLISTED OPTIONS TO THE CFO

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

“That approval is given, for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the grant of 1,200,000 Unlisted Options to the Chief Financial Officer (CFO), Ms. Melissa Farrell (or her nominee), on the terms and conditions as set out in the Explanatory Statement.”

Voting Exclusion Statement: In accordance with the *Corporations Act 2001* (Cth) and the ASX Listing Rules, the Company will disregard any votes on Resolution 10:

- cast in favour of the resolution by or on behalf the CFO (or her nominee) or any of her associates, regardless of the capacity in which the vote is cast; or
- cast as proxy by a person who is a member of the Company’s key management personnel (KMP) on the date of the meeting or their closely related parties.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy or attorney for a person who is entitled to vote in accordance with a direction given to the proxy or attorney to vote on the Resolution in that way, or

- by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with the express authorisation to exercise undirected proxies as the Chairman decides; or
- 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 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 given by the beneficiary to the holder to vote in that way.

12. RESOLUTION 11 - APPROVAL FOR ADDITIONAL SHARE PLACEMENT CAPACITY

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

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve giving the Company an additional ten percent (10%) capacity to issue equity securities in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 11 by:

- any person who may participate in the issue of equity securities under this resolution and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary Shares, if the resolution is passed; and
- any associates of that person.

However, this does not apply to a vote cast in favour of a resolution 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 chair 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 chair to vote on the resolution as the chair 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.

NOTES

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00am on 17th October 2021.

Voting in person

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

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return **no later than 48 hours before the commencement of the meeting which is 10:00am (AEST) on Sunday, 17th October 2021**. Proxies received after this time will **not** be effective for the scheduled meeting.

Completed Proxy Forms may be lodged:

By mail to:	Locality Planning Energy Holdings Limited c/- Link Market Services Limited Locked Bag A14 Sydney South NSW 1235 Australia
By fax to:	+61 2 9287 0309
In Person* at:	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 * during business hours Monday to Friday (9.00am – 5.00pm) and subject to public health orders and restrictions.
Online:	By following the instructions on our Investor Centre website Login via www.linkmarketservices.com.au

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

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

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

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

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

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

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

Transfer of non-chair proxy to chair in certain circumstances

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

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

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

Proxy Voting by the Chairman

The Chairman of the meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the Shareholder who has lodged the proxy has given express voting direction to the Chairman to exercise the undirected proxy. If you complete a proxy form that authorises the Chair of the meeting to vote on your behalf as proxy, and you do not mark any of the boxes as to give the Chair directions on how your vote should be cast, then you will have been taken to have expressly authorised the Chairman to exercise your proxy on resolutions 1 to 11 inclusive. In accordance with this express authority provided by you, the Chairman will vote in favour of resolutions 1 to 11 inclusive. If you wish to appoint the Chairman of the meeting as your proxy, and you wish to direct them on how to vote, please tick the appropriate boxes on the form.

Questions and Comments from Shareholders

In accordance with the Corporations Act, reasonable opportunity will be given to Shareholders to ask about or make comments on the financial statements for the year ended 30 June 2021 and the management of the Company at the AGM.

Similarly, Shareholders will be given a reasonable opportunity to ask the Company's external auditors, Bentleys, questions relevant to the accounting policies adopted by the Company in relation to the financial report, the conduct of the audit, the independence of the auditor in relation to the conduct of the audit and the preparation and content of the Auditor's Report.

Shareholders may also submit written questions to the Company or the auditor in advance of the AGM by email to the Company Secretary at investors@localityenergy.com.au or by completing and returning the question form enclosed.

Questions must be received by the Company no later than five (5) business days before the AGM.

Dated: 17th September 2021

By order of the Board

**Elissa Hansen
Company Secretary**

ANNUAL GENERAL MEETING EXPLANATORY STATEMENT

This Annual General Meeting (**AGM**) Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the AGM.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the General Meeting Resolutions.

1. ANNUAL REPORT

1.1 General

The first agenda item is to receive the Annual Report of the Company for the year ended 30 June 2021.

1.2 Corporations Act

Section 317 of the *Corporations Act 2001 (Cth)* requires the directors to lay before the Annual General Meeting the Financial Report, the Directors' Report (including the Remuneration Report) and the Auditor's Report for the last financial year that ended 30 June 2021.

The Annual Report is available on the Company's website and a printed copy has been sent to those shareholders who requested it.

In accordance with sections 250S and 250SA of the Corporations Act, Shareholders present at the Annual General Meeting will be provided with a reasonable opportunity to:

- (a) ask questions or make comment to the Directors present on the management of the Company and Remuneration Report; and
- (b) ask questions or make comment to the Auditor about the conduct of the audit and the preparation and content of the Auditor's Report.

No formal resolution to adopt the Annual Report will be put to the Shareholders at the Annual General Meeting.

Shareholders who are unable to attend the Annual General Meeting are able to submit written questions to the Chairman or the auditor about:

- (a) The preparation and the content of the 2021 Auditor's Report;
- (b) The conduct of the 2021 audit;
- (c) Accounting policies adopted by the Company in relation to the preparation of the 2021 financial statements; and
- (d) The independence of the Auditor in relation to the conduct of the 2021 audit.

The questions will need to be submitted no later than five (5) business days before the Annual General Meeting to the Company Secretary at the Company's Registered Office or via email to investors@localityenergy.com.au or by completing and returning the question form enclosed.

2. RESOLUTION 1 – REMUNERATION REPORT

2.1 General

In accordance with Section 250R(2) of the Corporations Act, at a listed company's Annual General Meeting, a resolution that the Company's Remuneration Report be adopted must be put to the vote. Section 250R(3) of the Corporations Act provides that the vote on the resolution is advisory only and does not bind the Directors or the Company.

In accordance with Section 300A, the Remuneration Report sets out the Company's remuneration arrangements for Key Management Personnel. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report for the financial year ending 30 June 2021. A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

2.2 Voting Consequences

Under the Corporations Act, companies are required to put to shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company ("Spill Resolution") if, at two consecutive Annual General Meetings, at least 25% of the votes cast on the Remuneration Report are voted against the adoption of the Remuneration Report and at the first of those Annual General Meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those Annual General Meetings.

If more than 50% of votes are cast in favour of a Spill Resolution, the Company must convene a shareholder meeting ("Spill Meeting") within 90 days of the second Annual General Meeting. At that meeting, all directors who were in office at the time of the Directors' Report, other than the managing director, will cease to hold office immediately before the Spill Meeting. Those persons who are elected or re-elected at the Spill Meeting will be the directors of the company. Note those directors who ceased to hold office immediately prior to the Spill Meeting may stand for re-election.

At the 2020 Annual General Meeting, the adoption of the remuneration report was approved by 87% of votes by shareholders who voted on the resolution. Accordingly, a Spill Resolution is not required at this AGM.

Shareholders of the Company will be provided with the opportunity to ask questions about or make comments on the Remuneration Report.

3. RESOLUTION 2 - ELECTION OF DIRECTOR

3.1 General

In accordance with ASX Listing Rule 14.5, a public listed company must hold an election of directors at each annual general meeting. Further, in accordance with ASX Listing Rule 14.4 and the Company's Constitution, a director must not hold office (without re-election) past the third annual general meeting following the director's appointment and 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.

All directors were re-elected at last year's AGM however Mr. Barnaby Egerton-Warburton stands for re-election at this meeting via rotation.

Mr. Egerton-Warburton was appointed as a director on 13 March 2020 and was re-elected at the 2020 AGM. He holds a Bachelor of Economics Degree and is a graduate of the Australian Institute of Company Directors. Mr. Egerton-Warburton has over 20 years of trading, investment banking, international investment and market experience. He has held positions with global investment banks in Hong Kong, New York and Sydney including JPMorgan, Banque Nationale de Paris and Prudential Securities.

Mr. Egerton-Warburton is Chairman of the Remuneration and Nomination Committee and a member of the Audit and Risk Committee.

4. RESOLUTIONS 3 & 4– RATIFICATION OF PRIOR ISSUE – PLACEMENT (LR 7.1 & LR 7.1A)

4.1 Background

On 18 August 2021, Locality Planning Energy Holdings Limited announced that it had received firm commitments to raised \$6 million (before costs) by way of a Placement to new and existing sophisticated and institutional shareholders and that the Company would issue thirty (30) million fully paid ordinary shares at \$0.20 (20 cents) per share (**Shares**) together with a free attaching one (1) for two (2) option with a strike price of \$0.30 (30 cents) and an expiry two years from the date of issue (**Options**) (**Placement**).

The Placement was very well supported, with total bids received exceeding the original raise target. The funds raised from the Placement are being utilised towards the roll out of the Company's shared solar product, billing system upgrades to increase customer experience and reduce costs to serve, working capital and costs of the offer.

The Shares are to be issued in two tranches. Tranche one consisted of the issue of 15,720,000 Shares to new and existing professional, sophisticated, and other exempt investors to raise \$3.144 million. The Shares were issued on 25 August 2021 utilising the Company's existing 15% placement capacity under ASX Listing Rule 7.1 and 10% placement capacity under ASX Listing Rule 7.1A totalling 9,432,710 Shares and 6,287,289 Shares, respectively.

Tranche two is subject to shareholder approval at this Meeting with participation by an associated entity of the Company's Chairman, Justin Pettett, subscribing for \$200,000 of the Placement, and other existing majority shareholders for a further 14,280,000 Shares to raise an additional \$2.856 million together with the issue of 15,000,000 Options.

The Placement was arranged and supported by Fresh Equities Pty Ltd and PAC Partners Securities Pty Ltd (**Joint Lead Managers**), who provided cornerstone bids for the Placement. Fees associated with the Placement include a 2% management fee on the total amount raised, plus a 4% selling fee on the total amount raised from investors introduced by the Joint Lead Managers who participate in the Placement. The Joint Lead Managers will also receive 1,666,667 Options each (3,333,334 Options in total) for fully subscribing the Placement.

4.2 Resolution 3 - ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

4.3 Resolution 4 – ASX Listing Rule 7.1A

ASX Listing Rule 7.1A provides that, in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

4.4 ASX Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under ASX Listing Rule 7.1 and 7.1A (as appropriate) and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

By ratifying the issue of Placement Shares, the subject of Resolutions 3 & 4, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

4.5 Technical information required by Listing Rule 14.1A

If Resolutions 3 and 4 are passed, the Placement Shares will be excluded in calculating the Company's 15% and 10% limits under ASX Listing Rules 7.1 and 7.1A respectively, increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares.

If Resolutions 3 and/or 4 are not passed, the Placement Shares will be included in calculating the Company's combined 15% limit in ASX Listing Rule 7.1, and 10% limit in ASX Listing Rule 7.1A, decreasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Placement Shares.

4.6 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 3 & 4:

- (a) The Placement Shares were issued on the following basis:
 - (i) 9,432,710 Placement Shares were issued utilising the Company's placement capacity under ASX Listing Rule 7.1; and
 - (ii) 6,287,289 Placement Shares were issued utilising the Company's placement capacity under ASX Listing Rule 7.1A;
- (b) the issue price for all of the Placement Shares was \$0.20;
- (c) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares were issued to clients of new and existing sophisticated and institutional shareholder. None of these subscribers are a related party of the Company; and
- (e) funds raised from the issue of Placement Shares will be applied towards the roll out of the Company's shared solar product, billing system upgrades to increase customer experience and reduce costs to serve, working capital and costs of the offer.

5. RESOLUTION 5 – ISSUE OF NEW SHARES

5.1 General

Further to the issue of the tranche one Placement Shares, the subject of Resolutions 3 & 4, Resolution 5 seeks Shareholder approval, for the purposes of ASX Listing Rule 7.1 and all other purposes, for the issue of 14,280,000 tranche two Placement Shares.

5.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which

represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the tranche two Placement Shares within the period of three months after the Meeting, without using the Company's available placement capacity under ASX Listing rule 7.1 and 7.1A.

If Resolution 5 is not passed, the Company will not be able to issue the tranche two Placement Shares other than by utilising the Company's placement capacity.

5.4 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the maximum number of tranche two shares to be issued is 14,280,000 Shares;
- (b) the Placement Shares will be issued for \$0.20;
- (c) the Placement Shares are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement Shares will be issued to new and existing sophisticated and institutional shareholder. None of the participants are a related party of the Company; and
- (e) funds raised from the issue of Placement Shares will be applied towards the roll out of the Company's shared solar product, billing system upgrades to increase customer experience and reduce costs to serve, working capital and costs of the offer;
- (f) the Shares will be issued no later than 19th January 2022.

6. RESOLUTION 6 – ISSUE OF OPTIONS

6.1 General

Resolution 6 seeks Shareholder approval for the issue of up to 15,000,000 Options with an exercise price of \$0.30, and an expiry two years from the date of issue to Shareholders who participated in both tranche one and tranche two of the Placement on a one (1) for two (2) basis. See 4.1 above for background information.

A summary of ASX Listing Rule 7.1 is set out in section 5.2 above.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Options within the period of three months after the Meeting to the Placement participants, without using the Company's available placement capacity under ASX Listing rule 7.1 and 7.1A.

If Resolution 6 is not passed, the Company will not be able to issue the Options other than by utilising the Company's placement capacity. This may also impact the Company's ability to issue the Shares, the subject of Resolution 5, as these Shares were to come with a free attaching Option.

6.3 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 6:

- (a) the maximum number of Options to be issued is 15,000,000;
- (b) the Options are to be issued for nil consideration. They are free attaching Option on a one (1) for two (2) basis for each Placement Share issued;

- (c) the terms of the Options are set out in Appendix A;
- (d) the Options will be issued Placement participants who are new and existing sophisticated and institutional shareholder. None of the participants are a related party of the Company; and
- (e) no funds will be raised from the issue of Options, although funds will be raised on their exercise which will go to working capital;
- (f) the Options will be issued no later than 19th January 2022 after the Meeting.

7. RESOLUTIONS 7 – ISSUE OF SHARES AND OPTIONS - MR. JUSTIN PETTETT

7.1 General

Resolution 7 seek Shareholder approval for the Chairman, Mr. Justin Pettett, to participate in the Placement on the same terms and conditions as other investors who participated in the raise. See section 4.1 above for further background information.

7.2 Technical information required by Listing Rule 14.1A

If resolution 7 is passed, the Company will be able to issue 1,000,000 Shares and 500,000 Options to the Chairman, Mr. Justin Pettett, on the same terms and conditions as other investors to the Placement seeking to align his interests with those of Shareholders. It will also raise a total of \$200,000 without utilising its placement capacity under Listing Rule 7.1.

If resolution 7 is not passed, the Company will not be able to issue Shares and Options to the Chairman.

7.3 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

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

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

The issue of Shares and Options to the Chairman, Mr. Pettett, could constitute giving a financial benefit and Mr. Pettett is a related party by virtue of being a director of the Company. However, the Directors (other than Mr. Pettett who has a material personal interest in resolutions 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares and Options, the subject of resolution 7 because the Shares and Options are to be issued on the same basis as the Shares and Options issued to other investors who participated in the equity raise (i.e. he is paying \$0.20 per Share and will receive attaching Options on the basis of one (1) options for every two (2) shares subscribed for) and therefore the dealing is considered at arm's length, a carve out to the requirement for Shareholder approval under section 210 of the Corporations Act.

7.4 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the issue of the Shares and Options, the subject of resolution 7, involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule

10.11 is required, unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

7.5 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to resolution 7:

- (a) the Shares and Options are to be issued to Mr. Justin Pettett (or his nominees) who is a related party by virtue of being a director (Chairman) of the Company;
- (b) the maximum number of securities to be issued is:
 - (i) 1,000,000 Shares; and
 - (ii) 500,000 attaching Options.
- (c) the Shares and Options will be issued no later than 19th November 2021 (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of Shares will occur on the same date;
- (d) the Shares will be issued at \$0.20 per Share. The Options are free attaching Options issued on the basis of one (1) Option for every two (2) Shares subscribed for as part of the Placement;
- (e) the Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) The terms of the Options are set out in Appendix A;
- (g) funds raised from the issue will form the pool of funds raised from the Placement Shares will be applied towards the roll out of the Company's shared solar product, billing system upgrades to increase customer experience and reduce costs to serve, working capital and costs of the offer.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Shares to Mr. Pettett as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares the subject of this resolution will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

8. RESOLUTIONS 8 & 9 – ISSUE OF OPTIONS – FRESH EQUITIES AND PAC PARTNERS

8.1 General

Resolutions 8 and 9 seeks Shareholder approval for the issue of 1,666,667 Options to Fresh Equities Pty Ltd (or its nominee/s) and 1,666,667 Options to PAC Partner Securities Pty Ltd (or its nominee/s) for the completion of a fully subscribed Placement (see 4.1 above).

A summary of ASX Listing Rule 7.1 is set out in section 5.2 above.

8.2 Technical information required by Listing Rule 14.1A

If Resolution 8 and/or 9 are passed, the Company can issue the Options to Fresh Equities and PAC Partners without utilising the Company's placement capacity, increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the r Options.

If Resolution 8 and/or 9 are not passed, the Company may still issue the Broker Options however they will be included in calculating the Company's combined 15% limit in ASX Listing Rule 7.1, decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the r Options.

8.3 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the maximum number of Broker Options to be issued is:
 - (i) 1,666,667 Options to Fresh Equites Pty Ltd (or its nominee/s); and
 - (ii) 1,666,667 Options to PAC Partner Securities Pty Ltd (or its nominee/s);
- (b) the Options will be issued no later than 19th January 2021 (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that the issue of the Options will occur on the same date;
- (c) the issue price of the Options will be nil. The Options are issued to the Joint Lead Managers in consideration for completing a fully subscribed Placement;
- (d) the Options will be issued on the terms and conditions set out in Appendix 1; and
- (e) no funds will be raised from the issue of the Options.

9. RESOLUTION 10 – APPROVAL OF GRANT OF UNLISTED OPTIONS TO THE CFO

9.1 General

The Board recognises that it is desirable for senior executives to be incentivised and remunerated on a consistent basis and in a manner that focuses their efforts on delivering long-term value for shareholders. The Company has an approved Employee Incentive Scheme that it may issue awards under to ensure alignment. The Board continually reviews the design of the Company's remuneration framework to ensure it meets its objective of being 'fit for purpose'. This includes reviewing the components of the awards to be issued under the Employee Incentive Scheme to ensure executives are focused on delivering long-term value.

This ensures that the remuneration framework supports the overall business strategy, ensures retention of key executives, is aligned with shareholder interests, is competitive, reflects market practice and is simple for both participants and shareholders to understand.

Approval is sought to grant the Chief Financial Officer (**CFO**), Ms. Melissa Farrell, 1,200,000 unlisted options. Each unlisted option is exercisable at \$0.20 per option and expires 5 years from the grant date (**Unlisted Options**), subject to the satisfaction of the performance and service conditions set out below (**Vesting Conditions**).

9.2 Technical information required by Listing Rule 14.1A

If resolution 11 is passed, the Company will be able to grant 1,200,000 Unlisted Options to the CFO, Ms. Melissa Farrell, allowing it to appropriately reward her performance and focus her efforts on delivering long-term value for shareholders. These will not reduce the Company's placement capacity to issue additional securities.

If resolution 11 is not passed, the Company will not be able to grant the Unlisted Options to the CFO and will need to negotiate appropriate alternative remuneration arrangements with the CFO.

9.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity or an associate of a director or a person whose relationship with the entity or a director is, in ASX's opinion.

9.4 Technical Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to resolution 10:

- (a) the Unlisted Options are to be granted to Ms. Melissa Farrell who is a director of the Company;
- (b) the maximum number of Unlisted Options proposed to be granted to Ms. Farrell are 1,200,000;
- (c) Ms. Farrell's current (FY22) remuneration package is \$321,000 per annum plus statutory superannuation of \$23,568;
- (d) Ms. Farrell has not previously been issued any awards under the employee incentive scheme;
- (e) The securities to be issued are Unlisted Options exercisable at \$0.20 per option and expiring five (5) years from the grant date and subject to vesting conditions as set out below:
 - 400,000 options will vest annually on 1 July each year (commencing 1 July 2022), subject to both of the following being achieved:
 - i. continued employment with LPE; and
 - ii. achievement of the CFO's Key Performance Indicators (KPIs) as determined by the board made up of:
 - a. Profitability and financial performance of the Company (60% weighting);
 - b. Operational improvements (20% weighting); and
 - c. Cultural and behavioural influences (20% weighting).

The Company opted to issue Unlisted Options to the CFO to ensure she is focused on delivering long-term value for the Company and its Shareholders. The Company assigns no current value to the options at this time given they are subject to vesting conditions. The value of vested options will be determined by the share price of LPE's shares at the time of vesting.

- (f) the Unlisted Options will be issued no later than 19th October 2024;
- (g) the Unlisted Options will be granted for nil consideration. The Company's external accounting consultants value the options at \$75,432, adjusted for the probability for achievement;
- (h) the material terms of the scheme are set out in Annexure B;
- (i) no loan will be made to Ms. Farrell in relation to the issue of performance rights.

Details of any securities issued under the scheme will be published in LPE's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the scheme after the resolution is approved and who are not named in the notice of meeting will not participate until approval is obtained under that rule.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Shares to Ms. Farrell as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the issue of Shares the subject of this resolution will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

10. RESOLUTION 11 - APPROVAL FOR ADDITIONAL SHARE PLACEMENT CAPACITY

10.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its Annual General Meeting to allow it to issue Equity Securities up to 10% of its issued capital (**Additional Placement Capacity**). For the purposes of ASX Listing Rule 7.1A an 'eligible entity' is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. Locality Planning Energy Holdings Limited is an 'eligible entity'. The Additional Placement Capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1 and, as such, if the Additional Placement Capacity is approved, the Directors will be allowed to issue equity securities of up to 25% of the Company's issued share capital without prior approval from shareholders.

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue equity securities under the Additional Placement Capacity, should the need arise. The Company has not previously sought and obtained shareholder approval under Listing Rule 7.1A.

As a **special resolution** at least 75% of votes cast by Shareholders eligible to vote at the meeting must be in favour of the resolution for it to be passed.

10.2 Technical information required by Listing Rule 14.1A

If Resolution 11 is passed, LPE will be able to issue an additional 10% of shares without Shareholder approval under its placement capacity under Listing Rule 7.1A.

If Resolution 11 is not passed, the Company will only have 15% of placement capacity available to it, decreasing the number of equity securities the Company can issue without Shareholder approval over the next 12-month period.

10.3 ASX Listing Rule 7.3A Requirements

Pursuant to ASX Listing Rule 7.3A, the issue price for each security issued under the Additional Placement Capacity will not be less than 75% of the volume weighted average price 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 entity 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.

The issue of equity securities under the Additional Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in the table below). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- the equity securities 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 following shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.3A.2 on the basis of the current market price of Shares and the current number of ordinary securities quoted on ASX for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- i. two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary

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

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

Table 1

Variable "A" Number of Shares on Issue	Dilution			
	Issue Price (per Share)	0.09 50% decrease in Issue Price	0.18 Issue Price	0.27 50% Increase in Issue Price
78,604,736 (Current number of Shares on Issue)	10% Voting Dilution	7,860,474 Shares	7,860,474 Shares	7,860,474 Shares
	Funds Raised	\$707,443	\$1,414,885	\$2,122,328
117,907,104 (50% increase in Shares on Issue)	10% Voting Dilution	11,790,710 Shares	11,790,710 Shares	11,790,710 Shares
	Funds Raised	\$1,061,164	\$2,122,328	\$3,183,492
157,209,472 (100% increase in Shares on Issue)	10% Voting Dilution	15,720,947 Shares	15,720,947 Shares	15,720,947 Shares
	Funds Raised	\$1,414,885	\$2,829,770	\$4,244,656

The above table is based on the following assumptions:

- The number of shares on issue (variable "A") is calculated as 78,604,736 being all fully paid ordinary shares quoted on ASX as at the date of this Notice.
- The Company issues the maximum number of equity securities available under the Additional 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 Additional Placement Capacity and not under Listing Rule 7.1.
- The issue of equity securities under the Additional Placement Capacity includes only Shares.
- The issue price of \$0.18 was the closing price of shares on ASX on 6 September 2021.

Equity securities under the Additional Placement Capacity may be issued until the earlier of:

- the date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- 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.
- To be clear, any approval of the Additional Placement Capacity at this Annual General Meeting will cease to be valid in the event that ordinary shareholders approve a transaction under ASX Listing Rule 11.1.2 or 11.2.

- The Company may issue equity securities under the Additional Placement Capacity for cash consideration: to raise funds for the development of the Company's new and existing products and services, the acquisition of new assets or investments (including assets associated with such acquisition), to repay debt or to fund working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any equity securities under the Additional Placement Capacity.

The Company's allocation policy for issues under the Additional 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 purpose of the issue;
- 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 situation and solvency of the Company;
- prevailing market conditions; and
- advice from the Company's advisors.

As the Company has no current plans to undertake a new capital raising, the allottees under the Additional Placement Capacity have not yet been determined but if such an exercise was undertaken, allottees may include existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

LPE sought Additional Placement Capacity at its 2020 Annual General Meeting. During the 12 months preceding the date of this meeting, it issued (nearly) its full 10% capacity under Listing Rule 7.1A, being 6,287,289 Shares to new and existing sophisticated and institutional shareholders at \$0.20 per share which represented a slight premium to the closing market price on the date of the issue, being \$0.19. The total cash received for the issue of the shares under List Rule 7.1A was \$1,257,458. None of these funds have been spent to date. Funds will be applied towards the roll out of the Company's shared solar product, billing system upgrades to increase customer experience and reduce costs to serve, working capital and costs of the offer.

A voting exclusion statement has been included in this Notice. However, as at the date of this Notice, the Company has not approached any particular existing Shareholders to participate in the issue of equity securities under the Additional Placement Capacity. No existing Shareholders' votes will therefore be excluded under the voting exclusion in the Notice.

When the Company issues equity securities pursuant to the Additional Placement Capacity, it will give to ASX:

- a list of the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- the information required by Listing Rule 3.10.5A for release to the market.

Appendix A

TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of the Options is \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (Sydney time) on the date that is two (2) years from the date of issue of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

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**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) 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) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, 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.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

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.

(k) **Change in exercise price**

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.

(l) **Transferability**

Options are transferable.

(m) **ASX Listing**

LPE intends to seek quotation of the Options, however, quotation of the Options will be subject to meeting the requirements for quotation of additional securities under the ASX Listing Rules.

Appendix B

TERMS AND CONDITIONS OF THE EQUITY INCENTIVE PLAN

The key terms of the Employee Incentive Plan (**Plan**) are as follows:

(a) **Objectives**

The primary objectives of the Plan are to:

- (i) set out a method by which eligible participants can participate in the future growth and profitability of the Company;
- (ii) provide an incentive and reward for eligible participants for their contribution to the Company; and
- (iii) attract and retain a high standard of managerial and technical personnel for the benefit of the Company.

(b) **Eligible Participants**

Under the Plan, an award (Award) may be in the form of:

- (i) an option (Option) (a right to acquire a Share);
- (ii) a cash right (a right to be issued a cash payment with no exercise price);
- (iii) a deferred option award (an Option with no exercise price);
- (iv) a performance right (a right to receive Shares once specified performance criteria are met); or
- (v) a share appreciation right (rights to receive payment equal to the positive difference between the value of the Share as determined by the Board in the offer and the market value of the Share when the right is exercised (Appreciation Value).

The Board at its sole discretion may invite any eligible person, including Directors, selected by it to complete an application relating to a specified number and type of Award allocated to that eligible person by the Board. The Board may offer Awards to any eligible person it determines and determine the extent of that person's participation in the Plan (Participant).

An offer by the Board is required to specify, among other things, the type of Award offered, the date and maximum number of Awards being offered, the issue price, exercise price or vesting conditions (if any) and any other matters the Board deems necessary, including the terms and conditions attaching to the Awards.

(c) **5% Limit**

The Plan has been prepared to comply with ASIC Class Order [CO 14/1000] (Class Order) and as such, offers under the Plan are limited to the 5% capital limit set out in the Class Order.

(d) **Terms of Awards**

No adjustments will be made to the number of Awards granted to a Participant under the Plan if dividends or other distributions are paid on Shares before Awards are exercised.

Shares issued to Participants on the exercise of an Award carry the same rights and entitlements as other Shares on issue. The Company will not seek quotation of any Awards, but will seek quotation for Shares issued on the exercise or conversion of Awards, provided the Company is listed on the ASX at the time.

Unless the Board determines otherwise, or as required by the law, an Award granted under the Plan is not capable of being transferred or encumbered by a Participant. The Company may buy-back Awards for an amount agreed with the Participant at any time, subject to applicable laws.

(e) **Exercise of Awards**

At the sole and absolute discretion of the Board, and in general terms, Awards granted under the Plan may only be exercised if particular exercise or vesting conditions have been met or waived, the exercise price (if any) has been paid to the Company, the Awards are exercised within the respective exercise period (if any) and the Participant has been issued a vesting notification. An Award granted under the Plan may not be exercised once it has lapsed.

(f) **Lapse of Awards**

Subject to the terms and conditions in the offer and Award, and at the Board's absolute discretion, a Participant's Awards will lapse:

- (i) 90 days after the date of the lawful termination of the Participant where the dismissal was not due to:
 - (a) serious and willful misconduct;
 - (b) a material breach of the terms of employment or engagement; or
 - (c) gross negligence; and
 - (d) the Participant does not breach any post-termination restrictions (**Good Leaver**); or
- (ii) 90 days after the date of death or disability of the Participant (where the disability is such that the Participant is unable to perform normal duties in the opinion of a medical practitioner nominated by the Board); or
- (iii) immediately if:
 - (a) the Participant's lawful termination was not as a Good Leaver; or
 - (b) the Participant resigned from the Board, employment or consultancy with the Company; or
 - (c) the Participant was made redundant; or
 - (d) the Participant loses control of its permitted nominee and the Awards are not transferred to the Participant.

(g) **Cash Rights and Deferred Option Awards**

Subject to the terms and conditions of the offer, a Participant may elect to receive deferred option awards in lieu of all or a percentage of its cash rights. Such election must be made by giving written notice to the Company within 5 business days of receiving a vesting notification.

(h) **Share Appreciation Rights**

If a Participant exercises its share appreciation rights, subject to the terms and conditions of the offer, the Board will choose, in its sole and absolute discretion, one of the two following methods (or a combination of both) to realize the value of each of the exercised share appreciation rights.

- (i) A cash payment to the Participant of the Appreciation Value (less any tax or statutory superannuation) of the exercised share appreciation right (**Cash Settled**).

- (ii) An allotment and issuance, or transfer of, the number of Shares to the Participant equal in value to the Appreciation Value, calculated when the share appreciation right is exercised (**Equity Settled**). Fractions of a Share are disregarded.

(i) **Options – Fractional Exercise Facility**

Under the terms of the Plan, a Participant may request to pay the exercise price for an Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (Fractional Exercise Facility). By using the Fractional Exercise Facility, the holder will receive Shares to the value of the surplus after the exercise price has been set off. Any such request must be expressly made by the Participant in the exercise notice. The Board may approve or refuse the request in its sole and absolute discretion.

If the difference between the total exercise price otherwise payable and the then market value of Shares at the time of exercise is zero or negative, the Participant is not eligible to use the Fractional Exercise Facility.

(j) **Participation Rights**

Holders of Awards issued under the Plan are not entitled to participate or attend a meeting of the Shareholders of the Company or receive any dividends declared by the Company until the Award is exercised or converted and the Participant holds Shares as a result of the exercise or conversion.

An Award does not confer on a Participant the right to participate in new issues of Shares by the Company (including by way of bonus issue, rights issue or otherwise).

(k) **Clawback**

If the Board becomes aware of a material misstatement in the Company's financial statements or some other event occurred which, as a result, means the vesting conditions in respect of certain vested Awards were not, or should not, have been determined to have been satisfied, the Participant will cease to be entitled to those vested Awards.

(l) **Variation of Capital**

If the event of any variations to the share capital of the Company, the Board may adjust the exercise price (if applicable) and the number of Awards to which a Participant is entitled in accordance with the ASX Listing Rules. In doing so, the Board may make any adjustments it deems necessary or desirable to ensure the consequences of the adjustments are fair as between the Participants and the holders of other securities in the Company, subject to the ASX Listing Rules.

(m) **Fraudulent Behaviour**

If, in the opinion of the Board, a Participant has acted fraudulently or dishonestly, or is in material breach of his duties or obligations to the Company or its subsidiaries, the Board may determine that any Award granted to that Participant should lapse, and the Award will lapse accordingly.

(n) **Change of Control Event**

On the occurrence of a change of control event, being, in general terms, an unconditional takeover bid under Chapter 6 of the Corporations Act, a court sanctioned scheme of arrangement or any other merger involving the Company occurs which results in the holders of Shares holding 50% or less of the voting shares in the Company, the Board may in its sole discretion determine that all or a percentage of unvested Awards will vest and become exercisable in accordance with the Plan rules.

(o) **Compliance with Laws**

Awards may not be granted, issued, acquired, transferred or otherwise dealt with under the Plan if to do so would contravene the Corporations Act or any other applicable laws or regulations.

The Plan contains customary and usual terms having regard to Australian law for dealing with administration (including taxation of Awards), variation and termination of the Plan.

Listing Rule 7.2, Exception 9(b)

Listing Rule 7.1 provides that a company must not, without shareholder approval, subject to certain exceptions, issue during any 12 month period any equity securities or other securities with rights of conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

Under Exception 9(b) in Listing Rule 7.2, shareholders may approve the issue of equity securities under an employee incentive scheme as an exception to Listing Rule 7.1. If such approval is obtained, Listing Rule 7.1 does not apply to an issue of equity securities in the Company made under an employee incentive plan within three years of the approval.

The grant of any securities to a director of the Company will require specific approval under Listing Rule 10.14.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting means the meeting convened by the Notice of Annual General Meeting.

Annual General Meeting Explanatory Statement means the explanatory statement accompanying the Notice of Annual General Meeting.

Annual General Meeting Proxy Form means the proxy form accompanying the Notice of Annual General Meeting.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

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

Company means Locality Planning Energy Holdings Limited (ACN 147 867 301).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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

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

Option means an option to acquire a Share.

Resolution means a resolution set out in the Notice of Annual General Meeting.

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

Shareholder means a registered holder of a Share.



LOCALITY PLANNING ENERGY HOLDINGS LIMITED

ABN 90 147 867 301

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Locality Planning Energy Holdings 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
Level 12, 680 George Street, Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm)
and subject to public health orders and restrictions



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474

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 above by **10:00am (AEST) on Sunday, 17 October 2021**, 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) or Holder Identification Number (HIN).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

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

APPOINTMENT OF PROXY

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

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

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

To appoint a second proxy you must:

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

SIGNING INSTRUCTIONS

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

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

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



X99999999999

PROXY FORM

I/We being a member(s) of Locality Planning Energy Holdings Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

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

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AEST) on Tuesday, 19 October 2021 at Locality Planning Energy Holdings Limited, Bluewater Boardroom, Foundation Place, Level 8, 8 Market Lane, Maroochydore, Queensland (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 7 & 10: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 7 & 10, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

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

VOTING DIRECTIONS

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

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

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Issue of Broker Options to Pac Partner Securities Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Mr. Barnaby Egerton-Warburton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Approval of Grant of Unlisted Options to the CFO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Ratification of Prior Issue – Placement (LR7.1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Approval for Additional Share Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Prior Issue – Placement (LR7.1A)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Issue of New Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Issue of New Shares and Options – Mr Justin Pettett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Issue of Broker Options to Fresh Equities Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



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

STEP 2

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

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

LPE PRX2101D

