



21 April 2022

**Fluence Corporation Limited – Annual General Meeting of Shareholders 26
May 2022**

Notice is hereby given that the Annual General Meeting of Shareholders of Fluence Corporation Limited (“FLC” or the “Company”) will be held at 10:00am (AEST) on Thursday, 26 May 2022 at BDO, Collins Square | Tower Four, Level 18, 727 Collins Street, Melbourne VIC 3008 AUSTRALIA (“AGM”). Notice is also given that the Company’s Annual Report for the year ended 31 December 2021 (“Annual Report”) is available.

In accordance with the *Corporations Act 2001* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting. Instead, the Notice of Meeting, accompanying explanatory statement and Annual Report (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website at <https://www.fluencecorp.com> or at the Company’s share registry’s website www.InvestorServe.com.au by logging in and selecting Company Announcements from the main menu.
- A complete copy of the Meeting Materials have been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “FLC”.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will have received or will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

If you would like to receive electronic communications from the Company in the future, please update your communication election online at www.InvestorServe.com.au. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online at the above website links please contact our share registry BoardRoom Pty Limited at www.InvestorServe.com.au to obtain a copy.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Melanie Leydin".

Melanie Leydin
Company Secretary
Fluence Corporation Limited



FLUENCE CORPORATION LIMITED

ABN 52 127 734 196

Notice of Annual General Meeting

Explanatory Statement and Voting Form

Date of Meeting

Thursday, 26 May 2022 (AEST)
(Wednesday, 25 May 2022 (US EDT))

Time of Meeting

10.00am (AEST)
(5.00pm (US EDT))

Place of Meeting

BDO, Collins Square | Tower Four
Level 18, 727 Collins Street
Melbourne VIC 3008 AUSTRALIA

Should you wish to discuss the matters in this Notice of Annual General Meeting, please do not hesitate to contact Melanie Leydin, Company Secretary at mleydin@fluencecorp.com or +61 03 9692 7222.

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor,
or other professional advisor without delay.*

FLUENCE CORPORATION LIMITED

ACN 127 734 196

Registered office: LEVEL 4, 96 – 100 ALBERT ROAD, SOUTH MELBOURNE, VIC 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (**AGM** or **the Meeting**) of shareholders of Fluence Corporation Limited (**Company** or **FLC**) will be held:

- BDO, Collins Square | Tower Four, Level 18, 727 Collins Street, Melbourne VIC 3008 AUSTRALIA; and
- virtually via webinar conferencing facility;

on Thursday, 26 May 2022 at 10:00am (AEST) (Australia) and for USA east coast based investors, Wednesday, 25 May 2022 at 5.00pm (EDT).

Questions may be submitted prior to the meeting by email to mleydin@fluencecorp.com. The Company will, at its discretion, address questions received before or after the Meeting. The Company will not respond to inappropriate or offensive questions.

Attending in Person

Shareholders wishing to attend the AGM in person may do so, subject to any COVID-19 regulations in effect at the time of the AGM. The health and safety of members and personnel, and other stakeholders, is the Company's highest priority and the Company is acutely aware of the current circumstances resulting from the global COVID-19 pandemic. While the COVID-19 situation remains volatile and uncertain, the Company encourages shareholders to cast their votes by submission of a direct vote or by appointment of a proxy and will conduct a poll on all of the resolutions using the direct votes and proxies filed prior to the Meeting.

Please note that, following amendments to the Company's Constitution, Shareholders may now vote at the AGM via direct voting, rather than voting via a proxy. A direct vote allows shareholders to vote on the items of business before the AGM. This means the shareholder does not then need to attend the AGM or appoint a proxy. To do this, shareholders should follow the instructions, including the "Direct Voting" instructions, in the Voting Form accompanying this Notice. Please note that a shareholder who has cast a direct vote may still attend and vote at the AGM. However, by doing so, the shareholder will automatically cancel their direct vote unless the shareholder instructs us not to cancel their direct vote.

Shareholders wishing to appoint a proxy, rather than using direct voting, should follow the instructions, including the "Appointment of Proxy" instructions, in the Voting Form.

Shareholders are strongly encouraged to submit their direct votes/proxies as early as possible and in any event prior to the cut-off for direct/proxy voting as set out in the Notice (48 hours before the start of the Meeting). To lodge your direct vote/proxy appointment, please follow the directions on your personalised Voting Form which is enclosed with this Notice.

Any shareholders who wish to attend the AGM in person should monitor the Company's website and ASX announcements for any updates about being able to attend the AGM. If, due to COVID-19 related matters or otherwise, it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: FLC) and on its website at <https://www.fluencecorp.com/investor-news/>.

Virtual Attendance

Shareholders will also be able to attend the AGM via a webcast conference facility and will be able to submit written questions online during the webcast.

Shareholders wishing to access the webcast must register at the following address:

https://us02web.zoom.us/webinar/register/WN_Chxw2SMKR-G2zJKTTg0KEA

using their full name, company (if applicable), city and shareholding registration number. Please note that registered participants will receive their dial in number upon registration.

AGENDA

The Explanatory Statement and Voting Form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement, and the Voting Form in their entirety.

ORDINARY BUSINESS

Receipt and Consideration of Financial Statements & Reports

To receive and consider the Financial Report of the Company, together with the Directors' Report (including the Remuneration Report) and Auditor's Report as set out in the Company's Annual Report for the year ended 31 December 2021.

Note: Except as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1 Adoption of Remuneration Report

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

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' Report) for the financial year ended 31 December 2021 be adopted."

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 2 Election of Ms Samantha Tough as a Director of the Company

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

"That, Samantha Tough, who having been appointed as a director of the Company since the last AGM, retires in accordance with the Constitution of the Company and the ASX Listing Rules and, being eligible, offer herself for election."

A voting exclusion does not apply to this Resolution.

Resolution 3 Re-election of Mr Paul Donnelly as a Director of the Company

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

"That, Mr Paul Donnelly, who retires by rotation in accordance with the Constitution of the Company, and being eligible, offer himself for re-election, be re-elected as a director of the Company."

A voting exclusion does not apply to this Resolution.

Resolution 4 Re-election of Mr Richard Irving as a Director of the Company

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

"That, Mr Richard Irving, who retires by rotation in accordance with the Constitution of the Company, and being eligible, offer himself for re-election, be re-elected as a director of the Company."

A voting exclusion does not apply to this Resolution.

Resolution 5 Approval to Grant Options to Richard Irving (and/or his nominee)

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

“That for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to issue a total of 500,000 unlisted Director options to Richard Irving (and/or his nominee(s)) under the Company’s Employee Share Option Plan and on the terms and conditions described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 6 Approval to Grant Options to Ross Haghghat (and/or his nominee)

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

“That for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to issue a total of 500,000 unlisted Director options to Ross Haghghat (and/or his nominee(s)) under the Company’s Employee Share Option Plan and on the terms and conditions described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 7 Approval to Grant Options to Paul Donnelly (and/or his nominee)

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

“That for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to issue a total of 500,000 unlisted Director options to Paul Donnelly (and/or his nominee(s)) under the Company’s Employee Share Option Plan and on the terms and conditions described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 8 Approval to Grant Options to Dr.Rengarajan Ramesh (and/or his nominee)

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

“That for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to issue a total of 500,000 unlisted Director options to Dr. Rengarajan Ramesh (and/or his nominee(s)) under the Company’s Employee Share Option Plan and on the terms and conditions described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 9 Approval to Grant Options to Samantha Tough (and/or her nominee)

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

“That for the purposes of ASX Listing Rule 10.14, sections 200B and 200E of the Corporations Act and for all other purposes, approval be given to issue a total of 500,000 unlisted Director options to Samantha Tough (and/or her nominee(s)) under the Company’s Employee Share Option Plan and on the terms and conditions described in the Explanatory Statement.”

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 10 Approval to Grant Options to Thomas Pokorsky (and/or his nominee)

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

"That for the purposes of ASX Listing Rule 7.1, approval be given to issue a total of 31,250,000 unlisted options to Thomas Pokorsky (and/or his nominee(s)) on the terms and conditions described in the Explanatory Statement."

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

Resolution 11 Approval of Termination Benefits

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

"That for the purposes of sections 200B and 200E of the Corporations Act, approval be given for the giving of certain termination benefits to Thomas Pokorsky (and/or his nominee) by the Company."

A voting exclusion applies to this Resolution as outlined in the Explanatory Statement.

SPECIAL BUSINESS

Resolution 12 Approval of 10% Placement Capacity

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

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

A voting exclusion does not apply to this Resolution.

Resolution 13 Approval of Amendments to the Company's Constitution

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

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval be given that the constitution of Fluence Corporations Limited be amended in the manner set out in the Explanatory Statement, with effect from the passing of this resolution."

A voting exclusion does not apply to this Resolution.

By the order of the Board



Melanie Leydin

Company Secretary

21 April 2022

Notes

1. Entire Notice

The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.

2. Record Date

The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7pm (AEST) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

3. Direct Voting

- a) A direct vote allows shareholders to vote on the items of business before the AGM. This means the shareholder does not then need to attend the AGM or appoint a proxy. To do this, shareholders should follow the "Direct Voting" instructions in the Voting Form accompanying this Notice. Please note that a shareholder who has cast a direct vote may still attend and vote at the AGM. However, by doing so, the shareholder will automatically cancel their direct vote unless the shareholder instructs the Company not to cancel their direct vote.
- b) To be effective, Voting Forms containing direct voting directions must be received by the Company's share registry Boardroom Pty Limited no later than 48 hours before the commencement of the Annual General Meeting, this is no later than Tuesday, 24 May 2022 at 10:00am (AEST) (and for USA based investors, Monday, 23 May 2022 at 8.00pm (EDT)). Any direct voting directions received after that time will not be valid for the scheduled meeting

4. Proxies

- (a) If a shareholder is unable to attend and vote at the AGM, and does not choose to use direct voting, they are entitled to appoint a proxy to attend the AGM and vote on their behalf .
- (b) Each shareholder has a right to appoint one or two proxies.
- (c) A proxy need not be a shareholder of the Company.
- (d) If a shareholder is a company, it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- (e) Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion if number of votes each proxy is appointed to exercise.
- (f) If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes.
- (g) A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority.
- (h) To be effective, Voting Forms containing proxy appointments and directions must be received by the Company's share registry Boardroom Pty Limited no later than 48 hours before the commencement of the Annual General Meeting, this is no later than Tuesday, 24 May 2022 at 10:00am (AEST) (and for USA based investors, Monday, 23 May 2022 at 8.00pm (EDT)). Any proxy appointments received after that time will not be valid for the scheduled meeting.

5. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. Any votes will still be required to be lodged by proxy. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

6. Chair's Voting Intentions

Subject to the restrictions set out in Note 7 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

The Chair will call a poll on all proposed resolutions.

7. Voting Exclusion Statements

See Explanatory Statement.

8. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 or mleydin@fluencecorp.com if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement (**Statement**) is included in and forms part of the Notice of Meeting. The purpose of this Statement is to provide Shareholders with information they may require in order to make an informed decision on the applicable Resolution.

If you are in doubt as to how to vote, you should seek advice from your accountant, solicitor, tax advisor or other professional adviser prior to voting. It is important that you read this Statement in its entirety for a detailed explanation of the applicable Resolution.

Defined terms used in this Notice have the meanings given to them in the Glossary at the end of this Notice.

Receipt and Consideration of Accounts & Reports

A copy of the Company's Annual Report for the financial year ended 31 December 2021 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report) and the auditors) may be obtained at <https://www.fluencecorp.com/investor-news/> or via the Company's announcement platform on ASX. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7245, and you may request that this occurs on a standing basis for future years.

Shareholders will have the opportunity to ask questions about, or make comments on, the 2021 Annual Report. The auditor will be invited to attend, to answer questions about the audit of the Company's 2021 Annual Financial Statements.

Resolution 1 Adoption of Remuneration Report

1.1 Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2021 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty-five (25%) per cent of the total votes cast on that resolution and accordingly, a spill resolution will not be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies

1.2 Directors' Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of Meeting), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that Shareholders vote in favour of to adopt the Remuneration Report.

1.3 Voting Exclusions

The Company will disregard any votes cast on Resolution 1 by or on behalf of:

- (a) a person who is a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report for the year ended 31 December 2021 or a closely Related Party of such Key Management Personnel (regardless of the capacity in which the vote is cast); and
- (b) as proxy by a person who is a member of the Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such a member.

However, the Company need not disregard a vote on this Resolution 1 if:

- (c) it is cast as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (d) it is cast by the Chairman for a person who is entitled to vote, and the Proxy Form does not specify the way the proxy is to vote on Resolution 1, provided that the Proxy Form includes an express authorisation for the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of the Key Management Personnel.

Resolution 2 Election of Ms Samantha Tough as a Director of the Company

2.1 Background

The Company's Constitution specifies that, the Company's directors have the power at any time to appoint any person to be a director either to fill a vacancy or as an addition to the existing directors. That director will hold office until the next general meeting of the Company when the newly appointed director may be nominated for re-election.

Samantha Tough was appointed as an independent non-executive director on 1 June 2021.

Samantha Tough brings over 20 years' experience in public and private companies as both an executive and director in a range of industry sectors including energy, oil and gas, resources, engineering, health, venture capital, data analytics, law and tertiary education. She is a Fellow of the AICD.

Samantha is currently Chair of Horizon Power, Chair National Energy Selection Committee and Director of the Clean Energy Finance Corporation, VHM Ltd and 3D Metal Forge Ltd. She has been Pro Vice

Chancellor Engagement at the University of Western Australia since 1 July 2019, leading the Innovation and Industry Engagement group.

2.2 Directors' Recommendation

The Board, (with Ms Tough abstaining), recommends that Shareholders vote in favour of the election of Ms Tough as a Director of the Company. The Chairman of the meeting intends to vote undirected proxies in favour of Samantha Tough's election.

2.3 Voting Exclusions

There is no voting exclusion on this Resolution.

Resolution 3 Re-election of Mr Paul Donnelly as a Director of the Company

3.1 Background

In accordance with ASX Listing Rule 14.4 and Rule 4.3 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. Further, in accordance with the Company's Constitution, one-third of the Directors (excluding the Managing Director), or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire at each AGM. The Directors to retire by rotation at the AGM are those Directors who have been longest in office since their last election. If two or more persons became Directors on the same day, those to retire must be determined by lot unless they otherwise agree among themselves.

Mr Donnelly was appointed as a Non-Executive Director of the Company on 20 July 2018 and was last re-elected by Shareholders at the AGM held in May 2019. By agreement, Mr Donnelly, being eligible, offers himself for re-election as a Director at this AGM.

Mr. Donnelly is an accomplished financial services executive with international experience across all aspects of capital markets.

Mr. Donnelly is Chief Executive Officer of Flagstaff Partners, an independent corporate advisory firm.

Previously, Mr. Donnelly was an Executive Director at Macquarie Capital, where he worked for 25 years in various roles, including President & CEO of Macquarie's Canadian operations, and Global Head of Equity and Debt Capital Markets.

Mr. Donnelly has a broad range of investment banking experience, in Australia and internationally, with particular skills in capital markets. Over his thirty-year career he has gathered deep transactional experience advising on significant and complex transactions for leading Australian and international companies.

3.2 Directors' Recommendation

The Board, (with Paul Donnelly abstaining), recommends that Shareholders vote in favour of the election of Mr Donnelly as a Director of the Company. The Chairman of the meeting intends to vote undirected proxies in favour of Paul Donnelly's re-election.

3.3 Voting Exclusions

There is no voting exclusion on this Resolution.

Resolution 4 Re-election of Mr Richard Irving as a Director of the Company

4.1 Background

In accordance with ASX Listing Rule 14.4 and Rule 4.3 of the Company's Constitution, Directors must retire after the third AGM since they were last elected. Further, in accordance with the Company's Constitution, one-third of the Directors (excluding the Managing Director), or if their number is not a multiple of three, then the number nearest to but not more than one-third of the Directors, must retire at each AGM. The Directors to retire by rotation at the AGM are those Directors who have been longest in office since their last election. If two or more persons became Directors on the same day, those to retire must be determined by lot unless they otherwise agree among themselves.

Mr Richard Irving was appointed as a Non-Executive Director of the Company on 18 December 2015 and was last re-elected by Shareholders at the AGM held in May 2019. Richard took on the role of Company's CEO on 13 November 2020 and was acting as the managing director of the Company from 13 November 2020 to 14 March 2022, when the Company appointed its new managing director and CEO. During the period whilst Richard was acting as the Company's managing director and CEO, Richard was exempted from the director rotation requirement under Listing Rule 14.4 and Rule 4.3 of the Company's Constitution. Following the appointment of the Company's new management director on 14 March 2022, Richard has resumed to his previous non-executive directorship and will continue to be the Chairman of the Company's Board. Therefore, Richard is now subject to the rotation recruitment under ASX Listing Rule 14.4 and Rule 4.3 of the Company's Constitution. By agreement, Richard Irving, being eligible, offers himself for re-election as a Director at this AGM.

Richard Irving is the Chairman of Fluence Corporation Limited. Prior to Fluence Corporation Limited, Mr. Irving served as Executive Chairman and Chairman of Emefcy Group Limited from 2010.

Based in Silicon Valley, Mr. Irving co-founded Pond Venture Partners in 1997 and brings over 30 years experience in technology companies in senior operating roles, as an investor and Board member. Mr. Irving has helped generate over \$3 billion in shareholder value through IPOs, acquisitions, and private financings.

Past exits include LiveRail (Facebook), Gige Networks (Broadcom), 4Home (Motorola Mobility), Transitive (IBM), Microcosm Communications (Conexant), Zoran (NASDAQ: ZRAN, acquired by CSR plc), and Brooktree (NASDAQ: BTRE, acquired by Conexant).

4.2 Directors' Recommendation

The Board, (Mr Richard Irving abstaining), recommends that Shareholders vote in favour of the election of Richard Irving as a Director of the Company. The Chairman of the meeting intends to vote undirected proxies in favour of Richard Irving's re-election.

4.3 Voting Exclusions

There is no voting exclusion on this Resolution.

Resolutions 5 to 9 Approval to Grant Options to Directors of the Company

5.1 Background

Resolutions 5, 6, 7, 8 and 9 seek Shareholder approval to grant a total of 2,500,000 unlisted options (**Director Options**) to the directors of the Company in accordance with the Company's Employee Share Option Plan (**ESOP**), as well as Shareholder approval for the issue of any corresponding shares on the vesting and the exercise of those Director Options. These Director Options are proposed to be issued to the following directors (**Recipient Director**).

Table 1

Resolution	Director Option Recipients ("Recipient Director")	Position	Number of options ("Director Options")
5	Richard Irving (and/or nominee)	Chairman	500,000
6	Ross Haghghat (and/or nominee)	Non-Executive Director	500,000
7	Paul Donnelly (and/or nominee)	Non-Executive Director	500,000
8	Dr Rengarajan Ramesh (and/or nominee)	Non-Executive Director	500,000
9	Samantha Tough (and/or nominee)	Non-Executive Director	500,000

As part of the Company's ongoing incentive strategy to retain talent and to encourage key decision makers, including senior executives and the directors to continue with the Company's strategies on its financial performance and share price performance, it is proposed that unlisted options to be granted to the directors of the Company to align their interests with the interests of the public Shareholders'.

The Director Options also provide a cash efficient mechanism to compensate Directors.

5.2 Terms of Options

The Director Options will be granted for no cash consideration. Each Director Option will be converted to one fully paid ordinary share in the Company subject to the payment of the exercise price and the vesting conditions being satisfied. Prior to their exercise, the Director Options do not carry any right to receive dividend or to vote.

The proposed Director Options to be granted to each director contain the same terms, which are summarised as follows.

5.2.1 Number of Options to be Granted, Exercise Price, Vesting Conditions and Expiry Date

Table 2

Director Option Recipients ("Recipient Director")	Position	Grant Price	Number of options	Exercise Price	Vesting Conditions	Expiry Date
Richard Irving (and/or nominee)	Chairman	Nil	500,000			

Ross Haghghat (and/or nominee)	Non-Executive Director	Nil	500,000	\$0.215, being 10% premium to 10 day VWAP prior to 24 Feb 2022.	Vest on the 3 rd anniversary following the grant date.	12 months from the date of vesting.
Paul Donnelly (and/or nominee)	Non-Executive Director	Nil	500,000			
Dr Rengarajan Ramesh (and/or nominee)	Non-Executive Director	Nil	500,000			
Samantha Tough (and/or nominee)	Non-Executive Director	Nil	500,000			

5.2.2 No Voting Rights

The Director Options do not confer:

- the right to participate in any dividends paid by the Company;
- a right to notices of general meetings of the Company, except as required by law;
- a right to attend or speak at general meetings of the Company;
- a right to vote at any general meetings of the Company; or
- a right to participate in new issues of securities in the Company.

5.2.3 Cessation of Employment/Engagement with the Company

When the Recipient Director ceased their employment and/or engagement with the Company, subject to the Board's discretion, the vested and unvested Director Options will lapse the earlier of:

- Immediately after 5.00pm on the final date of employment/engagement;
- The expiry of the exercise date;
- The expiry of 60 days after that Recipient Director ceases to be employed or engaged by the Company by reason of dismissal, resignation or termination of employment, office or retirement;
- A determination by the Board that the Recipient Director has acted fraudulently, dishonestly or in breach of his or her obligations as an officer of the Company; or
- Seven (7) years after the date of issue.

5.2.4 Other Terms

Further terms as set out in the Company's ESOP (see details: [Fluence's Employee Share Option Plan Rules](#)) will apply to the Directors Option.

5.3 Value of the Proposed Director Options

The Company has prepared an indicative fair value of the Director Options as summarised below. The values are indicative only based on assumptions relevant at the date of the calculation (6 April 2022). Different assumptions may be relevant at grant date which may alter the value of the Director Options for financial reporting purposes. The total remuneration packages for each of the above Directors would be increased by the total per Director set out in the following table, based on the assumptions. The final valuation amount will not be able to be calculated until the Director Options are issued.

Indicative Fair Value per Option: \$0.156 (15.6 cents)

Table 3

Recipient Director	Number of Options	Indicative Fair Value
Richard Irving (and/or nominee)	500,000	\$78,000
Ross Haghghat (and/or nominee)	500,000	\$78,000
Paul Donnelly (and/or nominee)	500,000	\$78,000
Dr Rengarajan Ramesh (and/or nominee)	500,000	\$78,000
Samantha Tough (and/or nominee)	500,000	\$78,000
TOTAL:	2,500,000	\$390,000

The Director Options were valued by the Company using the Hoadley Trading & Investment Tools Binomial Tree valuation model, utilising the Cox, Ross & Rubinstein Binomial Tree. The assumptions used in the valuation model were as follows:

	Assumptions:
Valuation date ¹	6 April 2022
Spot price (5-Apr-2021)	\$0.2675
Exercise price	\$0.2151
Vesting date	3 years after issue
Expiry date	5 April 2026
Expected future volatility ²	68.2%
Risk free rate	2.642%
Dividend yield	Nil
Vesting probability ³	100%

¹ Based on the issue date being the valuation date.

² Based on assessment of historical volatility over relevant trading periods, however historical volatility may not be a reasonable proxy for expected future volatility.

³ Based on management's assessed probability that vesting conditions will be satisfied.

5.4 Directors' Remuneration Packages and Interests

As at the date of this Notice of Meeting, the current total cash remuneration packages of each of the Recipient Directors are:

Table 4

Recipient Director	Position	Remuneration Package Details
Richard Irving	Chairman	AU\$250,000 per annum, plus eligibility to be granted with options on terms decided by the Board, subject to necessary Shareholder approvals.
Paul Donnelly	Non-Executive Director	AU\$121,600 per annum, plus eligibility to be granted with options on terms decided by the Board, subject to necessary Shareholder approvals.
Ross Haghghat	Non-Executive Director	AU\$112,000 per annum, plus eligibility to be granted with options on terms decided by the Board, subject to necessary Shareholder approvals.
Dr Rengarajan Ramesh	Non-Executive Director	AU\$120,000 per annum, plus eligibility to be granted with options on terms decided by the Board, subject to necessary Shareholder approvals.
Samantha Tough	Non-Executive Director	AU\$108,000 per annum, plus eligibility to be granted with options on terms decided by the Board, subject to necessary Shareholder approvals.

The above Table 4 does not include value of the proposed Director Options, nor the value of previously issued Options.

As at the date of this Notice, the Recipients Director have the following direct and indirect interests in Shares and Options in the Company:

Table 5

Recipient Directors (and/or associates)	Current Holdings as at the date of this Notice of Meeting	
	Shares	Options
Richard Irving	37,264,579	2,500,000
Paul Donnelly	500,000	1,500,000
Ross Haghghat	600,000	1,000,000
Dr Rengarajan Ramesh	Nil	1,000,000
Samantha Tough	Nil	1,000,000

The exercise of the Director Options proposed to be granted under Resolutions 5-9 (assuming no other exercise of options or issue of securities other than those proposed for Directors under Resolutions 5-9), would result in holdings for each Director and a dilution of all other Shareholders' holdings in the Company as follows:

Table 6

Director/Shareholder (and/or associate(s))	Total Current Shareholdings ¹		Shares issued if proposed options issued and exercised	Total Shareholdings if proposed options issued and exercised	
	Shares	%	# Shares	Shares	%
Richard Irving	37,264,579	5.964%	500,000	37,764,579	6.020%
Paul Donnelly	500,000	0.080%	500,000	1,000,000	0.159%
Ross Haghghat	600,000	0.096%	500,000	1,100,000	0.175%
Dr Rengarajan Ramesh	Nil	-	500,000	500,000	0.080%
Samantha Tough	Nil	-	500,000	500,000	0.080%
Other Shareholders	586,489,455	93.860%		586,489,455	93.486%
TOTAL:	624,854,034	100.000%	2,500,000	627,354,034	100.000%

5.5 Corporations Act Requirements

5.5.1 Reasonable Remuneration - Sections 208 & 211

The Board has formed the view that the issue of Director Options to the above Recipient Director (or their respective nominee(s)) do not require Shareholder approval under section 208 of the Corporations Act as the issues constitute "reasonable remuneration" in accordance with section 211 of the Corporations Act.

A "financial benefit" is defined in section 229 of the Corporations Act and includes granting an option to a related party.

Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include directors of the public company (section 228(2)(a)).

In reaching this view, the Board considers the proposed grant of Director Options aligns the interests of each of the Recipient Directors with the interests of Shareholders. The grant of Director Options to each of the Recipient Directors is a cost-effective form of remuneration when compared to the payment of cash consideration.

The Board believes that having regard to the Company's current cash position, and in order to compensate the Recipient Directors in line with current market practices, Director Options provide an appropriate and meaningful remuneration component to the Recipient Directors that is aligned with Shareholder interests. The proposed base levels of Director Options reflect the standardised contribution of each respective Director to the Company.

If Resolutions 5, 6, 7, 8 and 9 are passed and the Director Options are issued, each of the Directors proposed to receive securities under these Resolutions (including direct and indirect interests) will have a relevant interest as set out above.

5.5.2 Retirement/Termination Benefit – Sections 200B & 200E

Sections 200B and 200E of the Corporations Act prohibit the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or its subsidiaries, if that benefit is given in connection with that person's retirement from office and is

¹ The current shareholdings were updated as at close of trading on 8 April 2022.

in excess of that person's average annual base salary over the relevant period, unless the benefit is approved by Shareholders or an exemption applies.

Approval is therefore sought under section 200E of the Corporations Act to allow for the Board to reserve their discretion to allow a later lapsing date of the Recipient Director's unexercised options and the exercise of those options thereafter in the event that a Recipient Director ceases his/her employment or engagement with the Company.

If Shareholder approval is obtained, the value of the approved benefits will be disregarded when calculating the departing Recipient Director's termination benefits cap for the purpose of subsection 200F(2)(b) or subsection 200G(1)(c) of the Corporations Act. The approval will be effective from the date the resolution is passed until the expiry of a three-year period.

The value of any benefit relating to the Director Options given in connection with the departing Recipient Director ceasing to hold managerial or executive office cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of options held by that departing Recipient Director prior to the cessation of his/her employment;
- the date when, and the circumstances in which, the departing Recipient Director ceases employment;
- whether the vesting conditions are waived or (if not waived) met, and the number of Director Options that can be vested; and
- the market price of the Company's shares on ASX on the date the Director Options are vested and become exercisable.

5.6 ASX Listing Rule 10.14

ASX Listing Rule 10.14 requires that the Company not permit a Director or their associates to acquire securities under an "employee incentive scheme" without Shareholder approval (unless an exception applies). The Board is therefore seeking Shareholder approval to grant the Director Options to the Recipient Directors on the terms set out above and under the ESOP.

The Company's ESOP constitutes an "employee incentive scheme" under the ASX Listing Rules.

5.6.1 Disclosures for the purposes of ASX Listing Rule 10.14

The following disclosures are made for the purposes of ASX Listing Rule 10.15

- (a) the names of the grantees are:
- Richard Irving
 - Ross Haghight
 - Rengarajan Ramesh
 - Samantha Jane Tough
 - Paul Donnelly and/or his nominee Tres Petitbijou Pty Limited acting for Donnelly Family Trust;
- (b) The grantees are directors of the Company;
- (c) The number and class of securities to be issued are set out in Table 1 above.
- (d) The details of the Recipient Directors' current remuneration package are set out in Table 4 above.

- (e) The number of options that have previously been issued to the Recipient Director under the Company's ESOP are set out in Table 5 above, and the acquisition price for the options previously issued was nil.
- (f) The material terms of the Director Options are set out above under part 5.2; the reasons why the Director Options are being proposed for issue are set out above under part 5.1; the value that the Company attributes to the Director Options and the valuation basis are set out above under part 5.3.
- (g) The Company expects to issue the Director Options within three (3) months from the date of Shareholder approval.
- (h) The Director Options will be issued to the Recipient Director at nil issue price.
- (i) The material terms of the ESOP can be found in Annexure 1 of the Explanatory Statement.
- (j) no loan will be made by the Company in relation to the grant of the Director Options.
- (k) Details of the options issued under the ESOP will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the 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 options under the ESOP after the resolutions are approved, and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

5.7 Effect of Passing or Not Passing Resolutions 5-9

If Resolutions 5-9 are passed, the Company will be able to proceed with the issue of the Director Options and the Recipient Directors will receive the number of options set out above, with the increase in their remuneration and potential increase in their shareholding as described above.

If Resolutions 5-9 are not passed, the Company will not be able to proceed with the issue of the Director Options and the Recipient Directors will not receive the Director Options or have the potential shareholdings increase as described above.

5.8 Directors' Recommendation

The Board, (with Richard Irving, Ross Haghightat, Paul Donnelly, Rengarajan Ramesh and Samantha Tough abstaining for their respective interests) recommends that Shareholders vote in favour of Resolutions 5, 6, 7, 8 and 9.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 5, 6, 7, 8 and 9.

5.9 Voting Exclusions

The Company will disregard any votes cast in favour of Resolutions 5, 6, 7, 8 and 9 by or on behalf of:

- (a) The Recipient Directors and any of their Associates, regardless of the capacity in which the votes are cast;
- (b) as a proxy, any person who is a member of Key Management Personnel on the date of the Annual General Meeting or a Closely Related Party of such a member.

However, this does not apply to a vote cast in favour of Resolutions 5, 6, 7, 8 and 9 by:

- (c) 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
- (d) 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
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that the following conditions are met:
 - a. 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
 - b. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Furthermore, a vote must not be cast as proxy on Resolutions 5, 6, 7, 8 and 9 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a “Restricted Voter”) may cast a vote on Resolutions 5, 6, 7, 8 and 9 as a proxy if:

- (f) The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (g) The Chairman is the Restricted Voter and the written appointment of the Chairman as proxy does not specify the way the proxy is to vote on the Resolution or expressly authorises the Chairman to exercise the proxy even though the Resolution is or are connected with the remuneration of a member of the Key Management Personnel.

Resolution 10 Approval to Grant Options to Thomas Pokorsky (and/or his nominee)

10.1 Background

The Company appointed Thomas Pokorsky (**MD**) as the Managing Director and CEO on 14 March 2022 (**Start Date**). As disclosed by the Company on the ASX on 14 March 2022, the terms of the MD's employment as the Managing Director and CEO, as set out in the MD's Executive Employment Agreement, include the issue of 12,500,000 unlisted time vesting options and 18,750,000 unlisted performance vesting options (collectively, the **MD Options**) to the MD as part of the MD's remuneration package.

Under ASX Listing Rule 7.1, the Company must not 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 without shareholder approval (subject to specified exceptions) (**15% Capacity**). To the extent that an exception applies or shareholder approval is obtained for an issue of equity securities, such issue of equity securities will not be counted towards the Company's 15% Capacity.

The proposed issue of the MD Options falls within exception 17 under ASX Listing Rule 7.2, as the MD Options are proposed to be issued under the MD's Executive Employment Agreement, subject to approval by the Company's shareholders. Under exception 17 of ASX Listing Rule 7.2, the Company's shareholders must approve the issue of the MD Options under ASX Listing Rule 7.1 before the issue of the MD Options is made.

Accordingly, the Company is seeking approval of the issue of the MD Options under and for the purposes of ASX Listing Rule 7.1. If shareholders pass this Resolution 10, the Company will issue the MD Options to the MD and such issue of the MD Options will not be counted towards the Company's 15% Capacity, resulting in the Company retaining the flexibility to make issues of equity securities under the 15% Capacity in the future. If the Shareholders do not pass this Resolution 10, the Company will still issue the MD Options, but they will count against the Company's capacity to issue securities under Listing Rule 7.1.

10.2 Technical information required under ASX Listing Rule 7.3

The following information is provided for the purposes of ASX Listing Rule 7.3:

- (a) The MD Options will be issued to Thomas Pokorsky (otherwise referred to as the MD).
- (b) The number and class of securities to be granted to the MD are set out in Table 7 below, comprising a total of 31,250,000 unlisted options.
- (c) A summary of the material terms of the MD Options is set out under part 10.4 below.
- (d) If approved, the Company will issue the MD Options to the MD within 3 months after the date of this meeting.
- (e) The Company will receive no form of consideration for the grant of the MD Options to the MD, other than the performance of the MD's duties under the MD's Executive Employment Agreement. Once the MD Options have vested, if the MD wishes to exercise any MD Options, the MD will be required to pay the exercise price for those MD Options. The exercise price payable for each ordinary share to be issued upon exercise of the MD Options is set out in Table 7 below.
- (f) The purpose of the issue of the MD Options is detailed at part 10.3 below.
- (g) A summary of the material terms of the MD's Executive Employment Agreement is set out in Annexure 2.

10.3 Purpose of the issue of the MD Options

The Company has proposed to issue the MD Options under the MD's Executive Employment Agreement as a one-off sign-on remuneration award to the MD. This was determined as part of the Company's ongoing incentive strategy to retain talent and to encourage key decision makers, including senior executives and the Company's directors, to pursue or continue to pursue (as applicable) the Company's strategies in relation to the Company's financial performance and share price performance. The Board determined that the granting of the MD Options will align the MD's remuneration with current market practices and will remunerate the MD appropriately in the context of the Company's growth strategy.

In addition, the MD Options are proposed to be issued with the purpose of aligning the MD's interests with the interests of the Company's shareholders.

Further, the Board is of the view that the grant of the MD Options is a reasonable and appropriate method to provide cost-effective remuneration to the MD as the non-cash form of this remuneration will allow the Company to spend a greater proportion of its cash on its operations than it would if alternative cash forms of consideration were given to the MD instead of the MD Options.

10.4 Terms of Options

As noted above, the MD Options will be granted for no cash consideration. Upon exercise, each MD Option will entitle the MD to be issued one fully paid ordinary share in the Company subject to the payment of the exercise price and the applicable vesting conditions being satisfied. Prior to their exercise, the MD Options do not carry any right to receive dividends or any voting rights.

A summary of the key terms of the MD Options is set out below:

10.4.1 Number of MD Options to be Granted, Exercise Price, Vesting Conditions and Expiry Date

The MD Options will be granted for nil acquisition price, with the exercise price determined by the 10-day VWAP preceding the Start Date, being AU\$0.1996 (**Start Date VWAP**). All MD Options will expire at 5.00pm (AEST) on the 5th anniversary of the Start Date. The vesting conditions are set out as follows:

Table 7

MD Options	Grant Price	Number of options	Exercise Price (AUD)	Vesting Conditions
Time Vesting Options	Nil	3,125,000	\$ 0.2196 (being 110% of the Start Date VWAP)	The options will vest and become exercisable on the first (1 st) anniversary of the Start Date, provided that Mr Pokorsky continues to be employed by the Company, except as otherwise set out in the Special Vesting Conditions.
	Nil	9,375,000		The options will vest and become exercisable in twelve (12) equal instalments of 781,250 options at the end of each consecutive three (3) month period over a three (3) year period commencing on the Start Date, provided that Mr Pokorsky continues to be employed by the Company, except as otherwise set out in the Special Vesting Conditions.
Performance Vesting Options	Nil	3,125,000	\$ 0.2196 (being 110% of the Start Date VWAP)	The options will vest and become exercisable on 15 January 2023. The number of options to be vested will be proportional to the achievement measured against the performance criteria established by the Board for the 2022 calendar year, except as otherwise set out in the Special Vesting Conditions.
	Nil	3,125,000	\$ 0.2395 (being 120% of the Start Date VWAP)	The options will vest and become exercisable on 15 January 2024. The number of options to be vested will be proportional to the achievement measured against the performance criteria established by the Board for the 2023 calendar year, except as otherwise set out in the Special Vesting Conditions.
	Nil	3,125,000	\$ 0.2595 (being 130% of the Start Date VWAP)	The options will vest and become exercisable on 15 January 2025. The number of options to be vested will be proportional to the achievement measured against the performance criteria established by the Board for the 2024 calendar year, except as otherwise set out in the Special Vesting Conditions.
	Nil	3,125,000	\$ 0.2794 (being 140% of the Start Date VWAP)	The options will vest and become exercisable on 15 January 2026. The number of options to be vested will be proportional to the achievement measured against the performance criteria established by the Board for the 2025 calendar year, except as otherwise set out in the Special Vesting Conditions.

MD Options	Grant Price	Number of options	Exercise Price (AUD)	Vesting Conditions
	Nil	6,250,000	\$ 0.2196 (being 110% of the Start Date VWAP)	The options will vest and become exercisable when the Enterprise Value ² of the Company reaches at least USD\$400 million.
TOTAL:		31,250,000		

10.4.2 Special Vesting Conditions

The MD Options will also subject to the following "Special Vesting Conditions":

- If the Company receives a minimum of US\$50million investment, all unvested Time Vesting Options will be immediately accelerated and become exercisable.
- If 100% of the Company's equity or assets is acquired by an acquiror(s) that is not a financial buyer or an existing shareholder of the Company, any unvested options will be immediately accelerated and become exercisable.

10.4.3 No Voting Rights

The MD Options do not confer:

- the right to participate in any dividends paid by the Company;
- a right to notices of general meetings of the Company, except as required by law;
- a right to attend or speak at general meetings of the Company;
- a right to vote at any general meetings of the Company; or
- a right to participate in new issues of securities in the Company.

10.4.4 Cessation of Employment/Engagement with the Company

Subject to approval of Resolution 11 in relation to the acceleration of options, the MD Options will be treated as follows in the event of the MD's termination of his employment with the Company:

- In the event of termination of the MD's employment during the period within three months from the Start Date (**Preliminary Period**) for any reason, all MD Options will be forfeited without consideration.
- In the event of the termination of the MD's employment by reason of death or disability at any time during the 4-year period (**Initial Term**) following the Preliminary Period, any unvested Time Vesting Options shall be immediately accelerated and become exercisable upon such termination.
- In the event of the termination of the MD's employment by the Company without cause during the Initial Term after the Preliminary Period, any Time Vesting Options that would have vested during the notice period (6 months) shall automatically vest and become exercisable upon such termination of the MD's employment.

² "Enterprise Value" shall mean:

- a. the fully diluted market capitalisation of the Company (issued shares plus options plus warrants) multiplied by the share price plus debt minus cash;
- b. If Company is acquired, the purchase price paid for all shares including options and warrants issued or bought out.

- In the event of the termination of the MD's employment by the MD for Good Reason during the Initial Term after the Preliminary Period, any unvested Time Vesting Options be immediately accelerated and become exercisable upon such termination.
- All MD Options (whether vested or unvested) will lapse sixty (60) days after the date of the MD's death or termination of employment other than for Cause, unless determined otherwise by the board of directors of the Company.
- All unvested MD Options shall immediately terminate and be forfeited without consideration upon a termination of the MD's executive employment agreement for Cause, and no MD Options will be exercisable after Executive receives a termination notice pending the effective date of the termination for Cause provided in accordance with the MD's executive employment agreement.

10.5 Reasonable Remuneration - Sections 208 & 211 of the Corporations Act

The Board notes that it has formed the view that the issue of the MD Options to the MD do not require shareholder approval under section 208 of the Corporations Act as the issues constitute "reasonable remuneration" in accordance with section 211 of the Corporations Act.

A "financial benefit" is defined in section 229 of the Corporations Act and includes granting an option to a related party.

Section 228 of the Corporations Act defines a "related party" for the purposes of Chapter 2E to include directors of the public company (section 228(2)(a)).

In reaching this view, the Board considers that the proposed grant of MD Options aligns the interests of the MD with the interests of the Company's shareholders. The grant of the MD Options to the MD is a cost-effective form of remuneration when compared to the payment of cash consideration.

The Board believes that having regard to the Company's current cash position, and in order to compensate the MD in line with current market practices, the MD Options provide an appropriate and meaningful remuneration component to the MD that is aligned with shareholder interests. The proposed number of the MD Options reflect the standardised contribution expected of the MD to the Company.

10.6 Effect of Passing or Not Passing Resolution 10

If Resolution 10 is passed, the issue of the MD Options to the MD will not be counted toward the Company's 15% Capacity.

If Resolution 10 is not passed, the issue of the MD Options to the MD will not fall within exception 17 under ASX Listing Rule 7.2 and will therefore be counted toward the Company's 15% Capacity.

10.7 Directors' Recommendation

The Board (with the MD abstaining) recommends that shareholders vote in favour of Resolution 10.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 10.

10.8 Voting Exclusions

The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- (a) Thomas Pokorsky (or his nominee); and
- (b) any other person who is expected to participate in, or who will obtain a material benefit as a result of the issue of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company,

or any associates of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 10 by:

- (c) 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
- (d) 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
- (e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided that the following conditions are met:
 - a. 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
 - b. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 12 Approval of Termination Benefits being given to Thomas Pokorsky

11.1 Background

The Corporations Act restricts the "benefits" that may be given to persons who hold managerial or executive office on leaving their employment or office with the Company. Section 200B of the Corporations Act prohibits the Company from giving a benefit to a person who holds (or has held in the previous three years) a managerial or executive office with the Company or a related body corporate, if that benefit is given in connection with that person's retirement from an office, or position of employment, in the Company or a related body corporate, unless an exception applies or the giving of the benefit is approved by the shareholders of the Company under section 200E of the Corporations Act.

11.2 Termination benefits proposed to be given to the MD

As noted above in respect of Resolution 10, if approved by shareholders under this Resolution 11, the MD Options will be treated as follows in the event of the MD's termination of his employment with the Company:

- In the event of termination of the MD's employment during the period within three months from the Start Date (**Preliminary Period**) for any reason, all MD Options will be forfeited without consideration.
- In the event of the termination of the MD's employment by reason of death or disability at any time during the 4-year period (**Initial Term**) following the Preliminary Period, any unvested Time Vesting Options shall be immediately accelerated and become exercisable upon such termination.

- In the event of the termination of the MD's employment by the Company without cause during the Initial Term after the Preliminary Period, any Time Vesting Options that would have vested during the notice period (6 months) shall automatically vest and become exercisable upon such termination of the MD's employment.
- In the event of the termination of the MD's employment by the MD for Good Reason (as defined in the during the Initial Term after the Preliminary Period, any unvested Time Vesting Options be immediately accelerated and become exercisable upon such termination.
- All MD Options (whether vested or unvested) will lapse sixty (60) days after the date of the MD's death or termination of employment other than for Cause, unless determined otherwise by the board of directors of the Company.
- All unvested MD Options shall immediately terminate and be forfeited without consideration upon a termination of the MD's executive employment agreement for Cause, and no MD Options will be exercisable after Executive receives a termination notice pending the effective date of the termination for Cause provided in accordance with the MD's executive employment agreement.

The accelerated vesting of Time Vesting Options on termination referred to above is a termination benefit for the purposes of section 200B of the Corporations Act.

In addition, the following termination payments are proposed to be given to the MD in accordance with the MD's Executive Employment Agreement if approved by shareholders under this Resolution 11:

- In the event of the termination of the Executive's employment by the Company for Cause or by the Executive without Good Reason, the Company shall pay to the Executive the Base Salary through the date of termination (including during any Notice Period, if applicable), any accrued but unreimbursed expenses and any accrued but unused PTO³ (the "Accrued Obligations") within thirty (30) days of the date of termination and shall continue to provide Executive and his family with benefits through the date of termination. In the event of the termination of the Executive's employment by the Executive without Good Reason, the Executive shall also be entitled to any earned but unpaid bonuses, payable on the same date as the Accrued Obligations.
- In the event of the termination of the Executive Employment Agreement and the Executive's employment by the Executive for Good Reason after the Preliminary Period, the Company shall: (i) pay to the Executive the Accrued Obligations within thirty (30) days of the date of termination; (ii) pay to the Executive any earned but unpaid bonuses; and (iii) continue to pay the Base Salary for six (6) months following the expiration of Notice Period (such additional 6-month period, the "Severance Period"). The payments provided for in this Section 11.2, other than the Accrued Obligations, are to be put to the shareholders of the Company for their approval at the next annual general meeting of the Company.
- In the event of the termination of this Agreement and the Executive's employment by the Company without Cause or by reason of the Executive's death or Disability after the Preliminary Period, the Company shall: (i) pay to the Executive (or his estate) the Accrued Obligations within thirty (30) days of the date of termination; (ii) pay to the Executive (or his estate) any earned but unpaid bonuses; and (iii) in the case of termination without Cause, continue to pay the Base Salary during the Severance Period. The payments provided for in this section in the event of death or Disability, other than the Accrued Obligations, are to be put to the shareholders of the Company for their approval at the next annual general meeting of the Company.

The abovementioned termination benefits are collectively referred to as the "**Termination Benefits**".

11.3 Approval under section 200E of the Corporations Act

Accordingly, the Company is seeking approval under section 200E of the Corporations Act of the Termination Benefits, so that the Company is able to give the MD the relevant Termination Benefits in the event that the MD's employment with the Company is terminated.

³ "PTO" means: (i) twenty (20) days of paid vacation; (ii) two (2) personal days; and (iii) five (sick days)

In order for shareholders to provide the approval in accordance with section 200E of the Corporations Act, this Explanatory Statement is required to set out the details of the benefit. Where the proposed benefit is a payment, this must be provided by detailing (a) the amount of the payment; or (b) if the amount of the payment cannot be ascertained at the time of the disclosure - the manner in which that amount is to be calculated and any matter, event or circumstance that will, or is likely to, affect the calculation of that amount.

The value of the Termination Benefits that relate to the Time Vesting Options cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- the number of options held by the MD prior to the cessation of his employment;
- the date when, and the circumstances in which, the MD ceases employment;
- whether the vesting conditions are waived or (if not waived) met, and the number of Time Vesting Options that can be vested; and
- the market price of the Company's shares on ASX on the date the Time Vesting Options are vested and become exercisable.

The value of the Termination Benefits that relate to the termination payments for unreimbursed expenses, accrued and unused paid vacation, personal leave and sick leave, earned but unpaid bonuses to be provided in accordance with the MD's Executive Employment Agreement cannot presently be ascertained. However, matters, events and circumstances that will, or are likely to affect the calculation of that value are:

- the length of services;
- the date when, and the circumstances in which, the MD ceases employment;
- the performance of the MD.

The value of the Termination Benefits that relate to the termination payments for the Severance Period to be provided in accordance with the MD's Executive Employment Agreement are USD\$232,500.

11.4 Effect of Passing or Not Passing Resolution 11

If Resolution 11 is passed, the Company will have the ability to give the relevant Termination Benefits to the MD in the event that the MD's employment with the Company is terminated.

If Resolution 11 is not passed, the Company will not be able to give any of the Termination Benefits to the MD in the event that the MD's employment with the Company is terminated (unless such Termination Benefit is assessed as otherwise falling under an exemption under section 200F of the Corporations Act).

11.5 Directors' Recommendation

The Board (with the MD abstaining) recommends that shareholders vote in favour of Resolution 11.

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 11.

11.6 Voting Exclusions

The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of Thomas Pokorsky or his associate.

However, a person described above is not prevented from casting a vote on this Resolution 11 if:

- (a) it is cast by that person in their capacity as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; and
- (b) it is not cast on behalf of Thomas Pokorsky or his associate.

Resolution 12 Approval of 10% Placement Capacity

12.1 Background

The Company is seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue equity securities under the 10% Placement Facility. The effect of this resolution is to allow the Directors to issue equity securities under Listing Rule 7.1A during the 10% Placement Period (as defined below) without, or in addition to, using the Company's 15% Capacity under Listing Rule 7.1.

12.2 ASX Listing Rules

12.2.1 Listing Rules 7.1 & 7.1A

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

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

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is, at the date of this Notice, an eligible entity. Note however that if, on the date of this Meeting, the market capitalisation of the Company exceeds \$300 million or the Company has been included in the S&P/ASX 300 Index, then this Resolution will no longer be effective and will be withdrawn.

Resolution 12 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without further Shareholder approval.

12.2.2 Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A starts on the date of this Annual General Meeting and expires on the first to occur of the following:

- (a) the date that is 12 months after the date of this Annual General Meeting;
- (b) the time and date of the Company's next Annual General Meeting; and
- (c) the time and date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

(**10% Placement Period**).

The Company will only issue and allot the equity securities approved under the 10% Placement Facility during the 10% Placement Period.

12.2.3 Effect of Passing this Resolution

If Shareholders pass this resolution, the number of equity securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below); and the Company will be able to issue equity securities up to a combined 25% of the Shares on issue without further Shareholder approval.

If this resolution is not passed, the Company will not be able to access the additional 10% Placement Facility to issue equity securities provided under LR 7.1A without Shareholder approval and will remain limited by 15% Capacity to issue equity securities.

12.2.4 Formula for Calculating the 10% Placement Facility – Listing Rule 7.1A.2

The maximum number of equity securities that may be issued by the Company under the 10% Placement Facility pursuant to Listing Rule 7.1A.2 is calculated in accordance with the following formula:

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

A is the number of Shares on issue at the commencement of the “relevant period” (which, for the Company, is the 12 month period immediately preceding the date of the issue or agreement):

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

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

The ability of an entity to issue equity securities under Listing Rule 7.1A is in addition to the entity's 15% Capacity under Listing Rule 7.1. The actual number of equity securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula stated above.

12.2.5 Type and Number of Equity Securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company. The Company, as at the date of the Notice, has on issue one class of quoted equity securities, being Shares as follows:

ASX Security Code and Description	Total Number
FLC: Ordinary Fully Paid	624,854,034

12.2.6 Minimum Issue Price and Cash Consideration – Listing Rule 7.1A.3

The equity securities will be issued at an issue price of not less than 75% of the VWAP for the Company's equity securities in the same class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the equity securities are to be issued is agreed by the Company and the recipient of the securities; or
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a) above, the date on which the equity securities are issued.

12.2.7 Purpose of the Funds Raised

The purposes for which the funds raised by an issue under the 10% Placement Facility may be used by the Company include:

- (a) consideration for the acquisition(s) of the new assets and investments, including the expenses associated with such acquisition(s); and
- (b) continued expenditure on the Company's current business and/or general working capital.

12.2.8 Risk of Economic and Voting Dilution

If this resolution is approved by Shareholders and the Company issues equity securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the dilution table below.

Shareholders may be exposed to economic risk and voting dilution, including the following:

- (a) the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of this Annual General Meeting; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The dilution table shows the hypothetical dilution of existing Shareholders on the basis of the market price of Shares as at 13 April 2022 (**Current Share Price**) and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice of Meeting.

The dilution table also shows:

- (a) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares 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
- (b) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

This dilution table has been prepared on the following assumptions:

- (a) The Company issues the maximum number of equity securities available under the 10% Placement Facility;
- (b) No convertible security is exercised and converted into Share before the date of the issue of the Equity Securities;
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- (e) The table shows only the effect of issues of equity securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (f) The issue of equity securities under the 10% Placement Facility consists only of Shares.
- (g) The Current Share Price is \$0.252 being the closing price of the Shares on ASX on 13 April 2022.

Table 8 Dilution Table

Variable 'A' in Listing Rule 7.1A.2	Dilution Scenario	Issue Price		
		50% decrease in Current Share Price \$0.1260	Current Share Price \$0.2520	100% increase in Current Share Price \$0.5040
Current Variable A 624,854,034 Shares	10% Voting Dilution	62,485,403 Shares		
	Funds raised	\$7,873,161	\$15,746,322	\$31,492,643
50% increase in current Variable A 937,281,051 Shares	10% Voting Dilution	93,728,105 Shares		
	Funds raised	\$11,809,741	\$23,619,482	\$47,238,965
100% increase in current Variable A	10% Voting Dilution	124,970,807 Shares		

441,491,228 Shares	Funds raised	\$15,746,322	\$31,492,643	\$62,985,287
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12.2.9 Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to relevant factors including, but not limited to, the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (b) the effect of the issue of the equity securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders, subject to compliance with Listing Rule 10.11, and/or new Shareholders who are not related parties or associates of a related party of the Company.

12.2.10 Previous Issue

There Company has not issued or agreed to issue any Equity Securities under Listing Rule 7.1A.2 in the 12-month period preceding the date of this Meeting. The Company had not agreed, before the 12-month period referred to in the preceding paragraph, to issue any Equity Securities under rule 7.1A.2 where such securities remain unissued as at the date of the Meeting.

12.3 **Special Resolution**

The ability to issue equity securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution. This means it requires approval of 75% of the votes cast by Shareholders present or represented, and eligible to vote.

12.4 **Directors Recommendation**

The Directors of the Company believe that this resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of this resolution.

12.5 Voting Exclusions

As at the date of dispatch of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and, therefore, a voting exclusion statement is not required by Listing Rule 7.3A.7.

Resolution 13 Approval of Amendments to the Company's Constitution

13.1 Background

As part of its regular review of its operations in order to streamline administration, minimise costs and incorporate recent regulatory updates, the Company proposes to amend the Constitution as set out below.

The amendments are proposed in order to bring the provisions of the Constitution in line with recent technological updates and will assist the Company to streamline communications with shareholders as well as utilise various electronic platforms and tools to hold and conduct shareholder meetings.

Section 136 of the Corporations Act allows a company to:

- (a) adopt a new constitution after registration; and
- (b) modify or repeal its constitution,

by passing a special resolution. Accordingly, this Resolution 8, which seeks shareholder approval to amend the existing Constitution.

A copy of the amended Constitution is available for review by shareholder at LEVEL 4, 96 – 100 ALBERT ROAD, SOUTH MELBOURNE, VIC 3205. A copy of the amended Constitution can also be sent to shareholders upon request to the Company Secretary at mleydin@fluencecorp.com.

13.2 Proposed Amendments

The Company seeks shareholder approval for the purposes of section 136(2) of the Corporations Act, and for all other purposes, to amend the Constitution as follows:

13.2.1 Notice of Meeting

- (a) Proposed Amendments

Insert new clause 7.3(f) as follows:

“(f) Form of notice of meeting

Unless the law provides otherwise:

- (i) a notice of a general meeting and instrument of proxy need not be provided physically in writing;*
- (ii) a notice of a general meeting and instrument of proxy may be provided to Members using one or more technologies to communicate the contents; and*
- (iii) a notice of a general meeting and instrument of proxy may be provided to Members using one or more technologies to communicate details of an online location where they can be viewed or downloaded.”*

- (b) Purpose of Proposed Amendment

The *Corporations Amendment (Meetings and Documents) Act 2022* (Cth) permits a notice of meeting and any other information provided with that notice to be communicated using technology. For example, an entity may send its shareholders an email setting out or attaching a notice of meeting and other material relating to that notice of meeting (for example, a proxy form). Alternatively, an entity may send an email to its shareholders with a link to where the notice and other materials can be viewed or downloaded. In circumstances where the entity does not have the email address for certain shareholders, the entity may send a letter or postcard setting out a URL for viewing or downloading the notice and other materials.

Shareholders may elect to receive documents in a physical form or electronically and the Company must provide that member with the documents in the form based on the shareholder's election (unless it falls under ASIC's emergency power to grant relief).

It is desirable that the Company continues to have the ability to make notices of meeting and proxy forms available in this manner.

13.2.2 Virtual Meeting

(c) Proposed Amendments

- (i) insert new definition of "Virtual Meeting Technology" in clause 1.1(b) to read as follows:

"Virtual Meeting Technology means, in terms of section 253Q of the Corporations Act, an instantaneous audio-visual communication device or similar form of technology which, by itself or in conjunction with other arrangements:

(a) gives the persons entitled to attend the meeting, as a whole, a reasonable opportunity to participate in proceedings in the main place without being physically present in the same place;

(b) enables the Chair to be aware of proceedings in the other place(s); and

(c) enables the Members in the separate meeting place(s) to vote on a show of hands or on a poll."

and

- (ii) Amend and replace clause 7.5(b) as follows:

"7.5(b) Hybrid and Virtual Meetings

(i) Virtual Meeting Technology may be used in holding a general meeting either on its own without a main place of attendance (virtual meeting) or by linking several meeting places to the main place of the general meeting (hybrid meeting).

(ii) The Chair may arrange for any persons attending the general meeting (including persons whom the Chair considers cannot be accommodated in the place where the meeting is notified to take place) to attend the meeting from one or more separate places using any Virtual Meeting Technology.

(iii) If a separate place is linked to the notified place of a general meeting by Virtual Meeting Technology, a Member present at the separate place is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the notified place.

(iv) Where the general meeting is held by Virtual Meeting Technology without a main place of attendance, the place of meeting is deemed to be the registered office of the Company and the time of meeting is taken to be time at the registered office of the Company.

(v) If, before or during the general meeting, any technical difficulty occurs affecting Virtual Meeting Technology and impairing Members' rights under section 253Q of the Act, the Chair may adjourn the general meeting until the difficulty is remedied.

(vi) Where the general meeting is held by Virtual Meeting Technology, a resolution put to the vote at the general meeting must be decided on a poll.

(vii) *Nothing in this clause is to be construed to limit the powers conferred on the Chair by law.*"

(d) Purpose of Proposed Amendment

The recent legislative updates made to the Corporations Act provide that companies may use technology to allow members to attend general meetings virtually if a wholly virtual meeting is expressly permitted by the constitution. Clause 7.5(b1) will allow the Company to hold wholly virtual meeting of members following the passing of this resolution.

13.2.3 Joint Holders

(a) Proposed Amendments

Replace clause 11.1(e)(ii) with the following:

"(ii) The Company is entitled to and in respect of CHESS Holdings, must:

- (A) record the names of only the first four (4) joint holders of a Share on the Register;*
- (B) regard the four (4) joint holders of a Share appearing first on the Register as the registered holders of that Share to the exclusion of any other holders; and*
- (C) disregard the entitlement of any person to be registered on the Register as a holder if the name of the person would appear on the Register after the first four (4) holders for that Share."*

(b) Purpose of Proposed Amendment

The amendment allows the Company to record the names of three joint holders as the registered holders of Shares in the Company. In expectation of the CHESS Replacement in April 2023, the proposed amendment allows the Company to regard four joint holders of a Share appearing first as the registered holders of that Share to the exclusion of any other holders.

13.2.4 Other minor amendments

Some minor amendments have also been carried out throughout the document in order to refresh definitions, that do not alter the meaning of the clauses, that are cosmetic or that are needed in order render the foregoing amendments effective.

13.3 **Directors Recommendation**

The Board recommends that shareholders vote in favour of this Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of this resolution.

13.4 Voting Exclusions

There are no voting exclusions on this Resolution.

GLOSSARY

\$	means Australian Dollars.
10% Placement Facility	has the meaning as defined in the Explanatory Statement for Resolution 12.
10% Placement Period	has the meaning as defined in the Explanatory Statement for Resolution 12.
AEDT	means Australian Eastern Daylight Standard Time.
AEST	Australian Eastern Standard Time.
Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 31 December 2021.
ASX	means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires.
ASX Listing Rule or Listing Rule or LR	means ASX Listing Rules published and maintained by ASX Limited.
Auditor's Report	means the auditor's report on the Financial Report.
Board	means of the board of Directors of the Company.
Cause	<p>means the "Cause" as defined under the MD's Executive Employment Agreement, which means the occurrence of any of the following:</p> <ul style="list-style-type: none">(i) a material breach by the MD of the Executive Employment Agreement or of any other agreement of which the MD and a member of the Company Group are parties;(ii) the repeated and persistent failure by the MD to reasonably and substantially perform MD's duties under this Executive Employment Agreement;(iii) willful misconduct or gross negligence that is injurious to any member of the Company group;(iv) the MD's breach of his fiduciary duty to the Company or commission of a fraud upon any member of the Company group; or(v) the MD's conviction of (or plea of <i>nolo contendere</i> to) any crime that constitutes a felony, or that constitutes any misdemeanor (excluding minor traffic violations) involving moral turpitude, deceit, dishonesty or fraud; or dishonest or fraudulent statements or acts of the MD to any member of the Company group that is injurious to any member of the Company group; <p>provided, no action or inaction will constitute Cause until:</p> <ul style="list-style-type: none">a. the MD has received written notice that sets forth such action or inaction in reasonable detail;b. a resolution finding that Cause exists has been approved by the Board at a meeting at which the MD is allowed to appear and, if either the Company is represented by legal counsel, or the General Counsel of the Company is present, at the meeting, to be accompanied by his legal counsel; and <p>where remedial action is feasible, the MD fails to remedy the action or inaction to the satisfaction of the Board within thirty (30) days of receiving written notice.</p>
Chairman or Chair	means the person appointed to chair the AGM.
Closely Related Party	has the meaning given to this term under Section 9 of the Corporations Act.
Company	means Fluence Corporation Limited ACN 127 734 196.

Constitution	means the constitution of the Company as at the date of the Meeting.
Corporations Act	means <i>Corporations Act 2001</i> (Cth).
Director	means a director of the Company.
Director Options	has the meaning as defined in the Explanatory Statement for Resolutions 5-9.
Directors Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities
EDT	means United States Eastern Daylight Time.
ESOP	means the Company's Employee Share Option Plan.
Equity Security	has the meaning given to this term under ASX Listing Rule 19.12.
Explanatory Statement	means the explanatory statement which forms part of the Notice of Meeting.
Executive Employment Agreement	Means the Executive Employment Agreement entered into between Fluence Corporation LLC, the Company and Thomas Pokorsky dated 14 March 2022, which is summarised in Annexure 2.
Financial Report	means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Good Reason	<p>means the "Good Reason" as defined under the MD's Executive Employment Agreement, which means the occurrence of any of the following without the MD's prior written consent:</p> <ul style="list-style-type: none"> (i) a reduction in the base salary; (ii) a material adverse change in the scope or nature of the MD 's duties, responsibilities or authority (including but not limited to MD no longer being a member of the Board or MD no longer being the most senior executive of the Company other than the Chair of the Board); (iii) the MD 's no longer reporting directly to the Board; or (iv) a material breach of the MD's executive employment agreement by the Company (which shall include, for this purpose, the failure of the Company's shareholders to approve the MD Options); <p>provided, no action or inaction will constitute Good Reason until:</p> <ul style="list-style-type: none"> a. the MD has given written notice to the Board within ninety (90) days of the occurrence of such action or inaction that sets forth such action or inaction in reasonable detail, and b. the Company has had thirty (30) days to cure such event after the date of such notice.
Hybrid Meeting	means a meeting that combines a 'live' in-person meeting at a physical location with a 'virtual' online component for remote attendees.
Key Management Personnel or KMP	has the meaning given to this term under Section 9 of the Corporations Act.
Meeting	has the meaning given in the introductory paragraph of the Notice of Meeting.
MD	means the Company's managing director Thomas Pokorsky.
MD Options	has the meaning as defined in the Explanatory Statement for Resolution 10.
Notice of Meeting or Notice	means this Notice of Annual General Meeting for the Company, including the attached notes and the Explanatory Statements.
Performance Vesting Options	means the MD Options that are subject to performance vesting conditions as set out in Table 7.

Proxy Form or Voting Form		means the proxy form attached to the Notice.
Recipient Director		has the meaning given to it in Table 1 of the Explanatory Statement.
Remuneration Report		means the remuneration report which forms part of the Directors' Report of the Company for the financial year ended 31 December 2021 and which is set out in the 2021 Annual Report.
S&P/ASX Index	300	means the S&P/ASX 300 Index as published by Standard & Poors from time to time.
Share		means a fully paid ordinary share in the capital of the Company.
Shareholder		means the shareholder of the Company.
Special Vesting Conditions		means the MD Options vesting conditions set out under part 10.4.2 of the Explanatory Statement;
Start Date		means Mr Thomas Pokorsky's appointment date, being 14 March 2022
Start Date VWAP		means 10-day VWAP preceding the MD's Start Date
Time Vesting Options		means the MD Options that are subject to time vesting conditions as set out in Table 7.
Trading Day		means a day determined by ASX to be a trading day in accordance with the Listing Rules;
VWAP		means volume weighted average price.

ANNEXURE 1

TERMS AND CONDITIONS OF DIRECTOR OPTIONS (SUBJECT TO APPROVAL OF SHAREHOLDERS)

1. General terms

1.1 Vesting of Options

- (a) Certain Options will vest immediately upon the Issue Date and other Options will vest with the passage of time. Vesting Conditions.
- (b) Options which are subject to a Vesting Condition will only be exercisable when they have vested.

1.2 Expiry Date

- (a) If the Options become exercisable in accordance with paragraph 1.1 above, they may be exercised at any time and from time to time on or before the Expiry Date.
- (b) Any Options that have not lapsed on an earlier date and that are not exercised by the Participant on or before the Expiry Date will lapse at 5:00 pm AEDT or AEST (as applicable) on the Expiry Date.

1.3 Exercise Price

The exercise price for each Option is the Exercise Price.

2. Exercise of Options

2.1 Exercise by the Participant

An Option may only be exercised by the Participant delivering to the Plan Administrator:

- (a) a Notice of Exercise duly executed by the Participant stating the number of Options that the Participant wants to be exercised; and
- (b) cash in an amount equal to the aggregate Exercise Price of the Options being exercised.

2.2 Cashless exercise

Instead of paying the Exercise Price in cash, the Participant may elect for the Trustee, upon exercise of Options, to receive, on the Participant's behalf.

2.3 Company's obligations

The Company must:

- (a) issue to the Trustee (on behalf of the Participant) the number of Shares the subject of the Options being exercised (subject to reduction in the case of a cashless exercise election), such Shares to be fully paid and to rank pari passu in all respects with the Shares already on issue at the date of exercise of the relevant Options;
- (b) deliver to the Trustee a share certificate or holding statement in respect of the Shares issued; and
- (c) where the option certificate was for a number of Options greater than those being exercised, issue a certificate or holding statement to the Trustee for the unexercised Options.

2.4 Shares

- (a) The Participant will be advised in writing of the number, and date of issue, of the Shares held by the Trustee for and on behalf of that Participant.
- (b) In addition to other rights detailed in the Trust Deed with respect to Shares issued to the Trustee for and on behalf of the Participant, the Participant will have the right to:
 - (i) direct the exercise of any voting rights attaching to any Share; and
 - (ii) receive dividends with respect to any Share.

3. Trigger Event or takeover bid

- (a) Notwithstanding, the treatment of the Options in the event of a trigger event or takeover bid will be governed by the relevant clauses of the Options Deed.
- (b) If the Company is served with a bidder's statement under the Corporations Act, the Participant may direct the Trustee to accept the bid on behalf of the Participant in respect of all or part of the Shares allocated to the Participant only if the Company has determined that the Participant will be permitted to so direct the Trustee.

4. Adjustment for Reorganisation

4.1 Adjustment

- (a) If at any time the Company reconstructs, adjusts or reorganises its capital in any way, the number of Options (or the number of Shares issuable on exercise of those Options) issued to the Participant, the Exercise Price for those Options, or both, must be adjusted if and in the manner required by the Listing Rules.
- (b) In the event of such a reconstruction, adjustment or reorganisation, subject to any applicable provisions relating to the rounding of entitlements, in all other respects the terms for the exercise of Options will remain unchanged.

4.2 Notice of Adjustment

- (a) In each case of an adjustment of the Exercise Price, the Options or the number of Shares issuable upon exercise of the Options, the Company will calculate such adjustment and notify the Trustee and notify the Participant in writing at the address as shown in the Company's records.
- (b) The notice must specify the nature and extent of the adjustment to the terms of the Options allocated to the Participant both before and after the adjustment.

5 Transfer of Options and Plan Shares

5.1 Restrictions on transfer of Options

An Option may not be transferred or assigned, except that if the Participant has died or the Participant's estate is liable to be dealt with under laws relating to mental health, after the production to the Board of such documents or other evidence as the Board may reasonably require to establish the Participant's legal personal representative's entitlement, the Options may be allocated to that legal personal representative or transferred from the Trustee, on the direction of that legal personal representative, to that legal personal representative.

5.2 Registration of transfers

The Company will register a transfer of Options and give the transferee an option certificate or holding statement as soon as reasonably practicable after the Company receives:

- (a) an instrument of transfer of the Options duly stamped (if required);
- (b) the certificate or holding statement for the Options; and
- (c) such evidence as the Board may require (including the written agreement of the transferee to be bound by this Deed) to establish the entitlement of the transferee to be so registered.

5.3 Transfers of Plan Shares

- (a) At any time after any Plan Shares have been allocated to the Participant by the Trustee, the Participant may direct the Trustee to:
 - (i) transfer the Shares to the Participant or to a person nominated by the Participant; or
 - (ii) sell the Shares and apply the proceeds (Sale Proceeds) in accordance with the Participant's directions.
- (b) If the Participant directs the Trustee to sell Shares, the Trustee will be entitled to deduct its expenses from the Sale Proceeds, and that if the expenses cannot be met from the Sale Proceeds, the Participant will be liable for those expenses.

6 Lapse of Options

- (a) Subject to the absolute discretion of the Board, if the Participant's engagement with the Company Group ceases, the Options will lapse.
 - (b) If any of the Options are subject to any Vesting Conditions that have not been met at the time the Participant ceases being employed or engaged, those Options will lapse immediately (unless otherwise determined by the Board).
 - (c) The Options otherwise will lapse on the Expiry Date.
- (a) the Exercise Price for those Options in cleared funds by way of bank cheque, electronic transfer or other means agreed with the Company; and
 - (b) any certificate for those Options.

9.2 Issue of Shares

Within 10 business days after receiving an Exercise Notice and payment by the Holder of the Exercise Price, the Company must issue the Holder the number of Shares resulting from the exercise of the Options specified in the Exercise Notice.

10. Ranking of Shares Issued on Exercise of Options

- (a) Subject to the Company's constitution, all Shares issued on the exercise of Options rank in all respects (including rights relating to dividends) *pari passu* with the existing Shares at the date of issue.
- (b) The Holder acknowledges and accepts that the on-sale of Shares may be restricted in the 12 months immediately following the date of issue in accordance with the Corporations Act. the Company may, but is not required to, issue such notices or lodge such documents to enable the on-sale of those Shares in the 12 months immediately following the date of issue.

11. Quotation

The Company will not apply to ASX Limited for official quotation of the Options but will apply to ASX Limited for official quotation of the Shares issued on exercise of Options (subject to clause 10(b)).

ANNEXURE 2

MATERIAL TERMS AND CONDITIONS OF THE MANAGING DIRECTOR'S EXECUTIVE EMPLOYMENT AGREEMENT

1. Terms

The Executive's employment shall commence on March 14, 2022 (the "Start Date") and shall continue in full force and effect until the fourth (4th) anniversary of the Start Date (the "Initial Term"). The Initial Term will automatically be extended for successive periods of one (1) year (each, a "Renewal Term") until the Company or the Executive give six (6) months' written notice of non-renewal prior to expiration of the Initial Term or Renewal Term, as applicable (the Initial Term together with any Renewal Terms, collectively, the "Term").

2. Employment

(a) Position

The Executive shall perform such senior executive duties, services and responsibilities consistent with such positions as may be reasonably assigned to the Executive from time to time by the Board of Directors. During the Term, the Executive shall devote his full business time, attention and skill to the performance of such duties, services and responsibilities, shall use his best efforts to promote the interests of the Company.

(b) Board Seat

The Executive shall be appointed to serve as a director on the Board that he discloses to the Company, all the information required by the Australian Securities Exchange ("ASX") to comply with ASX Listing Rule within the time periods prescribed by the rule. If the Executive at any time ceases to hold the office of Managing Director of the Company, he must also resign from his office as a director with immediate effect.

3. Compensation

The Company shall pay him a base salary at the annual rate of US\$465,000 (as adjusted, the "Base Salary"). The Base Salary will be payable in equal periodic installments in accordance with the Company's payroll practices as in effect from time to time. The Executive shall be eligible for an annual discretionary bonus of up to \$75,000 in respect of each calendar year.

4. Equity Participation

Following and subject to approval by the shareholders, the Company will grant the Executive options to subscribe for ordinary shares in the capital of the Company.

- If the Company receives a minimum of US\$50million investment, all unvested Time Vesting Options will be immediately accelerated and become exercisable.
- If 100% of the Company's equity or assets is acquired by an acquiror(s) that is not a financial buyer or an existing Shareholders of the Company, any unvested options will be immediately accelerated and become exercisable.

In the event of the termination of the Executive's employment

- In the event of termination of the MD's employment during the period within three months from the Start Date (**Preliminary Period**) for any reason, all MD Options will be forfeited without consideration.
- In the event of the termination of the MD's employment by reason of death or disability at any time during the 4-year period (**Initial Term**) following the Preliminary Period, any unvested Time Vesting Options shall be immediately accelerated and become exercisable upon such termination.
- In the event of the termination of the MD's employment by the Company without cause during the Initial Term after the Preliminary Period, any Time Vesting Options that would have vested during the notice period (6 months) shall automatically vest and become exercisable upon such termination of the Executive's employment.
- In the event of the termination of the MD's employment by the MD for Good Reason during the Initial Term after the Preliminary Period, any unvested Time Vesting Options be immediately accelerated and become exercisable upon such termination.
- All MD Options (whether vested or unvested) will lapse sixty (60) days after the date of the MD's death or termination of employment other than for Cause, unless determined otherwise by the board of directors of the Company.
- All unvested MD Options shall immediately terminate and be forfeited without consideration upon a termination of the MD's executive employment agreement for Cause, and no MD Options will be exercisable after Executive

receives a termination notice pending the effective date of the termination for Cause provided in accordance with the MD's executive employment agreement.

5. Confidential Information and Restrictive Covenants

- The Executive must not disclose any of the Company's confidential information.
- During the Executive's employment and for one (1) year thereafter, the Executive will not, directly or indirectly, induce, solicit, recruit or encourage any employee of any member of the Company Group, to leave their employment with the Company.
- During the Executive's employment and for one (1) year thereafter, the Executive will not, directly or indirectly, solicit the business of any supplier, client or customer of a member of the Company Group.
- The Executive is subject to a non-compete restriction for a period of 6-month following his departure from the Company.

6. Termination Payment

In the event of the termination of the Executive's employment and this Agreement by the Company for Cause or by the Executive without Good Reason, the Company shall pay to the Executive the Base Salary through the date of termination (including during any Notice Period, if applicable), any accrued but unreimbursed expenses and any accrued but unused PTO⁴ (in accordance with Section 3(e) above) (the "Accrued Obligations") within thirty (30) days of the date of termination and shall continue to provide Executive and his family with benefits through the date of termination. In the event of the termination of the Executive's employment by the Executive without Good Reason, the Executive shall also be entitled to any earned but unpaid bonuses, payable on the same date as the Accrued Obligations.

In the event of the termination of this Agreement and the Executive's employment by the Executive for Good Reason after the Preliminary Period, the Company shall: (i) pay to the Executive the Accrued Obligations within thirty (30) days of the date of termination; (ii) pay to the Executive any earned but unpaid bonuses; and (iii) continue to pay the Base Salary for six (6) months following the expiration of Notice Period (such additional 6-month period, the "Severance Period"). The payments provided for in this section, other than the Accrued Obligations, are to be put to the shareholders of the Company for their approval at the next annual general meeting of the Company.

In the event of the termination of this Agreement and the Executive's employment by the Company without Cause or by reason of the Executive's death or Disability after the Preliminary Period, the Company shall: (i) pay to the Executive (or his estate) the Accrued Obligations within thirty (30) days of the date of termination; (ii) pay to the Executive (or his estate) any earned but unpaid bonuses; and (iii) in the case of termination without Cause, continue to pay the Base Salary during the Severance Period. The payments provided for in this section in the event of death or Disability, other than the Accrued Obligations, are to be put to the shareholders of the Company for their approval at the next annual general meeting of the Company.

⁴ "PTO" means: (i) twenty (20) days of paid vacation; (ii) two (2) personal days; and (iii) five (sick days)

All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEST) on Tuesday, 24 May 2022.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/flcagm2022>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

SECTION 1: DIRECT VOTING

If you wish to vote directly, you should clearly mark the box in Section 1 and the boxes in Section 3 to indicate your voting instruction for each resolution. Please only mark either "for" or "against" for each resolution. Do not mark the "abstain" box if you are voting directly. If no direction is given on a resolution, or if you complete both the boxes in Section 1 and 2, your vote may be passed to the Chairman of the Meeting as your proxy. Securityholders, custodians and nominees may identify on the Voting Form the total number of votes in each of the categories "for" and "against" and their votes will be valid. The Chairman's decision as to whether a direct vote is valid is final and conclusive.

SECTION 2: APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Section 2. If you wish to appoint someone other than the Chairman of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting or does not vote on a poll in accordance with your instructions, the Chairman of the Meeting will be your proxy by default. A proxy need not be a Securityholder of the company. Do not write the name of the issuer company or the registered Securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities 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.
- (b) return both forms together in the same envelope.

SECTION 3: VOTING DIRECTIONS

To cast your direct vote or to direct your proxy how to vote, place a mark in one of the boxes opposite each resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any resolution by inserting the percentage or number that you wish to vote in the appropriate box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%. If you do not mark any of the boxes on a given resolution, your proxy may vote as he or she chooses (subject to any voting restrictions that apply to your proxy). If you mark more than one box on a resolution for all your securities your vote on that resolution will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEST) on Tuesday, 24 May 2022.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** <https://www.votingonline.com.au/flcagm2022>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting, please bring this form with you to assist registration.

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

SECTION 1: DIRECT VOTING

I/We being a Securityholder/s of **Fluence Corporation Limited** (Company) and entitled to attend and vote hereby elect to vote directly at the Annual General Meeting of the Company to be held a hybrid meeting at the **BDO, Collins Square | Tower Four, Level 18, 727 Collins Street, Melbourne VIC 3008 AUSTRALIA and virtually via webinar conferencing facility on Thursday, 26 May 2022 at 10:00am (AEST)** and at any adjournment of that Meeting.

SECTION 2: APPOINTMENT OF PROXY

I/We being a member/s of **Fluence Corporation Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held as a hybrid meeting at the **BDO, Collins Square | Tower Four, Level 18, 727 Collins Street, Melbourne VIC 3008 AUSTRALIA and virtually via webinar conferencing facility on Thursday, 26 May 2022 at 10:00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, 5-11; I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 5-11, are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 5-11). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*		FOR	AGAINST	ABSTAIN*	
Res 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8	Approval to Grant Options to Dr.Rengarajan Ramesh (and/or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Election of Ms Samantha Tough as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Approval to Grant Options to Samantha Tough (and/or her nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Re-election of Mr Paul Donnelly as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Approval to Grant Options to Thomas Pokorsky (and/or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4	Re-election of Mr Richard Irving as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11	Approval of Termination Benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5	Approval to Grant Options to Richard Irving (and/or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 12	Approval of 10% Placement Capacity (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Approval to Grant Options to Ross Haghight (and/or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 13	Approval of Amendments to the Company's Constitution (Special Resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 7	Approval to Grant Options to Paul Donnelly (and/or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2022