

FLEXIROAM

23 February 2024

Dear Shareholder

General Meeting – Notice and Proxy Form

Notice is hereby given that the General Meeting (**Meeting**) of Flexiroam Limited (ACN 143 777 397) (the **Company**) will be held virtually via an online platform provided by the Company's share registry, Automic, on Friday, 22 March 2024 at 12:00 pm (WST).

In accordance with the Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will not be dispatching physical copies of the Notice of Meeting and Explanatory Statement (**Notice**) to Shareholders, unless you have elected to receive these documents by post. Instead, the Notice is being made available to shareholders electronically and can be viewed and downloaded online at the following link: <https://www.flexiroam.com/investor-center/>. The Notice will also be posted on the Company's ASX market announcements page at <https://www2.asx.com.au/markets/company/frx>.

All resolutions at the Meeting will be decided by poll and details of how to access the online platform and vote online are provided in the Notice. Shareholders are encouraged to complete and lodge their proxies online or otherwise in accordance with the instructions set out in the proxy form and Notice.

A copy of your personalised proxy form is enclosed for your convenience. You are encouraged to vote online at <https://investor.automic.com.au/#/home> or by returning the attached proxy form by:

post to: Automic
 GPO Box 5193
 Sydney NSW 2001

or email to: meetings@automicgroup.com.au

Your proxy voting instructions must be received by no later than 12:00 pm (WST) on Wednesday, 20 March 2024, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting. **The Company strongly encourages shareholders to lodge a directed proxy form.**

The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser or other professional adviser. If you have any difficulties obtaining a copy of the Notice please contact Automic on 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas) or the Company Secretary on +618 6389 2688 between 9:00 am to 5:00 pm (WST), Monday to Friday.

Yours sincerely



Natalie Teo
Company Secretary
Flexiroam Limited

FLEXIROAM

Flexiroam Limited

ACN 143 777 397

Notice of General Meeting

TIME: 12:00 pm (WST)

DATE: Friday, 22 March 2024

PLACE: To be a virtual meeting accessible through the share registry's online platform

IMPORTANT NOTE

The Notice of General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your professional adviser prior to voting.

Shareholders will not be able to attend the meeting in-person but will instead be able to attend and participate in the Meeting using the share registry's online platform. Information on how to attend the Meeting virtually and vote online is set out in this Notice of Meeting.

Notice of General Meeting

Notice is hereby given that the General Meeting of Shareholders of Flexiroam Limited (ACN 143 777 397) (**Flexiroam** or the **Company**) will be held virtually through Automic's online platform commencing at 12:00 pm (WST) on Friday, 22 March 2024 (**Meeting**).

The Explanatory Statement which accompanies this Notice contains further information in relation to the items of business to be considered at the Meeting. The Explanatory Statement forms part of this Notice. Terms and abbreviations used in this Notice are defined in the Glossary.

Business

Resolution 1 – Approval to issue Director Options to Director – Stephen Picton

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

“That, for the purposes of Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 50,000,00 Director Options to Mr Stephen Picton (or his nominee) in accordance with the Company’s Employee Share Option Plan, and on the terms and conditions set out in the Explanatory Statement.”

Resolution 2 – Approval to issue Placement Shares to Director – Stephen Picton

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

“That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 43,478,261 Placement Shares to be subscribed for by Mr Stephen Picton (or his nominee) in accordance with the terms and conditions set out in the Explanatory Statement.”

Voting Exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- **Resolution 1**, by or on behalf of, a person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Share Option Plan (including Mr Stephen Picton who is to receive the Director Options in question) or any of their respective associates.
- **Resolution 2**, by or on behalf of Mr Stephen Picton, being the person who is to receive the securities in question and any other person who will obtain a material benefit as a result of the issue of these securities (except a benefit solely by reason of being a Shareholder), or any of their respective associates.

However, the above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

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

Voting Prohibitions

In accordance with sections 250BD and 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a Closely Related Party of such a member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1, and:

- the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on the Resolution; or
- expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Attendance and Participation

The Meeting will be held virtually via an online platform facilitated by the Company's share registry, Automic, on **Friday, 22 March 2024 at 12:00 pm (WST)**.

Information about how to attend the Meeting virtually is set out below under "Voting online". Voting at the Meeting will be by poll rather than by show of hands.

How to vote

Entitlement to vote

The Company has determined that the time for determining a person's entitlement to vote at the Meeting is Wednesday, 20 March 2024 at 4:00 pm (WST). Only those Shareholders entered on the Company's Share Register at that time will be entitled to attend and vote at the Meeting virtually via the online platform. Registrable transfers or transmission applications received after this time will be disregarded in determining entitlements to vote at the Meeting.

Attendance

The Meeting is being held as a virtual meeting whereby Shareholders will only be able to attend and participate in the Meeting through an online platform.

Voting online

Shareholders and their proxies, attorneys or corporate representatives will be able to attend and participate in the Meeting through an online platform at <https://investor.automic.com.au/#/home>. This online platform will allow Shareholders to attend the Meeting in real time and allow them to vote and ask questions in respect to the Resolutions.

It is recommended that Shareholders try to log on to the online platform at least 15 minutes prior to the scheduled start time for the Meeting.

Shareholders who wish to participate virtually may do so in accordance with the following instructions:

- 1) Go to <https://investor.automic.com.au/#/home>.
- 2) Login with your username and password or click "register" if you haven't already created an account. Shareholders are encouraged to create an account prior to the start of the Meeting to ensure there is no delay in attending the Meeting virtually
- 3) After logging in, a banner will be displayed at the bottom of the page once the Meeting is open for registration. Click on "register" when this appears and follow the steps
- 4) There will be a live webcast where you can view and listen to the Virtual Meeting
- 5) Shareholders and their proxies will be able to vote on the Resolutions directly through the online platform at any time between the commencement of the Meeting and the closure of voting as announced by the Chair

Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon.

The Proxy Form provides further details on appointing proxies and lodging the Proxy Form. The Proxy Form must be received by the Company no later than 12:00 pm (WST) on Wednesday, 20 March 2024.

Shareholders who have not received their personalised Proxy Form should contact Automic on 1300 288 664 or at hello@automic.com.au as soon as possible and well in advance of the Meeting to avoid any delays on the day of the Meeting.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary, Natalie Teo, at natalie.teo@anthonyho.com.au by Wednesday, 20 March 2024.

Shareholders will also have the opportunity to submit questions during the Meeting in respect of the formal items of business. In order to ask questions during the Meeting, please follow the instructions from the Chair, and the Chair may request prior to a Shareholder asking a question that they identify themselves.

By Order of the Board



Natalie Teo
Company Secretary
Flexiroam Limited
23 February 2024

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General Meeting (**Meeting**).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms used in this Notice and Explanatory Statement are defined in the Glossary. A Proxy Form is located at the end of this Explanatory Statement.

1. Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate 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. The authority may be sent to the Company or its share registry in advance of the Meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms.

Even if you plan to attend the Meeting virtually via the online platform, you are still encouraged to submit your Proxy Form in advance of the Meeting so that your votes can still be counted if for any reason you cannot attend.

Proxy Forms must be received by no later than 12:00 pm (WST) on Wednesday, 20 March 2024. Proxy Forms received later than this time will be invalid.

2. Virtual Meeting instructions

The Board has decided that the Meeting will be held through an online platform provided by Automatic, the Company's share registry service provider. Shareholders will be able to listen to the proceedings, view the presentations, send online questions to the Board and vote in real time.

Instructions and additional information regarding virtual attendance and participation are set out in the Notice of Meeting and accompanying Proxy Form.

3. Resolution 1 – Approval to issue Director Options to Mr Picton

3.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue up to 50 million unlisted Director Options to Mr Stephen Picton (or his nominee) in connection with his role as Executive Chairman and Interim Chief Executive Officer of the Company. Details of his appointment were announced to the ASX on 6 February 2024.

The Company has carefully considered key business objectives and believe that offering the options:

- (a) is an appropriate method for linking the Company's current remuneration structure to the achievement of strategic medium-term goals and longer-term shareholder value;
- (b) will assist in aligning the interests of Mr Picton with those of other Shareholders; and
- (c) Is not considered to have any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed.

The Company intends to grant the Director Options under the Company's Employee Share Option Plan (**Plan**) and each tranche will be subject to the following exercise conditions and such other terms set out in Schedule A.

| Class | Number of options | Exercise Price per option | Expiry Date |
|--------------|--------------------------|----------------------------------|--------------------------------|
| Tranche 1 | 16,666,666 | \$0.035 | 5 years from the date of issue |
| Tranche 2 | 16,666,667 | \$0.075 | 5 years from the date of issue |
| Tranche 3 | 16,666,667 | \$0.115 | 5 years from the date of issue |

The Company considers that the grant of the Director Options is reasonable given the Company's size and stage of business development, and that the issue of Director Options is a cost-effective and efficient incentive, as opposed to alternative forms of incentives, such as the payment of additional cash compensation. The objective of Resolution 1 is to provide Mr Picton with a mechanism to participate in the future development of the Company and an incentive for his future involvement with, and commitment to, the Company.

3.2 Listing Rule 10.14

Under Listing Rule 10.14, Shareholder approval is required for the issue of securities to any Director under an employee incentive scheme. Shareholder approval is sought to grant the Director Options to Mr Picton.

If Resolution 1 is an ordinary resolution.

If Resolution 1 is passed, the Company will be able to proceed with the issue of up to 50 million Director Options to Mr Picton.

If Resolution 1 is not passed, the Company will not be able to proceed with the issue of Director Options to Mr Picton and may have to consider alternative arrangements to appropriately incentivise him.

3.3 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of Director Options:

- (a) Resolution 1 contemplates the issue of up to a total of 50 million Director Options to Mr Picton (or his nominee);
- (b) Mr Picton is a related party of the Company by virtue of being a Director and therefore falls within Listing Rule 10.14.1;
- (c) the Director Options will be issued to Mr Picton in accordance with the table set out in Section 3.1 and on the terms and conditions set out in Schedule A;
- (d) the Director Options are a cost-effective and efficient incentive, as outlined in Section 3.1, and the objective of granting Director Options is to provide Mr Picton with a mechanism to participate in the future growth of the Company, as well as an incentive for his future involvement with, and commitment to, the Company;
- (e) upon conversion of the Director Options, Shares will be issued on a one for one basis and will rank equally in all respects with the Company's existing Shares;
- (f) the following Equity Securities have been previously issued to Directors under the Plan:

| Name | Number of options | Acquisition price of options |
|--------------------------|--------------------------|-------------------------------------|
| Mr Marc Barnett | 40,000,000 | \$Nil |
| Mr Tat Seng Koh | 4,000,000 | \$Nil |
| Mr Kenn Tat (Jefrey) Ong | 4,000,000 | \$Nil |
| Mr Stephen Picton | 4,000,000 | \$Nil |

- (g) the Director Options will be issued no later than 3 years after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Director Options will be granted on the same date;
- (h) the Director Options will be issued for nil consideration as they will be issued as medium to long-term incentives for the Directors. Accordingly, no funds will be raised as a result of the issue;

- (i) Mr Picton’s annual total remuneration in Australian dollars (including superannuation) for the previous and current financial years are set out below:

| Director | 2022/23 | 2023/24 |
|-----------------------------|----------|-----------|
| Stephen Picton ¹ | \$60,000 | \$350,000 |

Notes:

1. Mr Picton was appointed on 1 June 2022 as a Non-Executive Director. As announced on 17 November 2023, Mr Picton’s role changed to Executive Chairman and subsequently on 6 February 2024, changed again to Executive Chairman and Interim Chief Executive Officer.
- (j) the value in which the Company attributes to the Director Options and its basis is set out in Schedule B;
- (k) a summary of the key terms and conditions of the Plan are set out in Schedule C. In addition, a copy of the Plan is accessible on the Company’s website at <https://www.flexiroam.com/investor-center/>;
- (l) no loan has been or will be given to the Directors in relation to the issue of Director Options;
- (m) details of any securities issued under the Plan will be published in the Company’s annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (n) any persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolution 1 is approved and who were not named in the Notice will not participate until approval is obtained under that rule; and
- (o) a voting exclusion statement for Resolution 1 is included in the Notice of General Meeting preceding this Explanatory Statement.

3.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The grant of Director Options constitutes giving a financial benefit and Mr Picton is a related party of the Company by virtue of being a Director.

It is the view of the Directors that the proposed issue of the Director Options pursuant to Resolution 1 falls within the “reasonable remuneration” exception under section 211 Corporations Act given the circumstances of the Company and the position held by Mr Picton as Executive Chairman and Interim Chief Executive Officer.

Accordingly, the Directors have determined not to seek Shareholder approval for the purposes of section 208 Corporations Act for the issue of the Director Options to Mr Picton.

The Company has nevertheless determined to include the information at Section 3.5 below for the benefit of Shareholders, even though the Company is not seeking Shareholder approval for the purposes of section 208 Corporations Act.

3.5 Information requirements for Chapter 2E of the Corporations Act

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Options:

- (a) the Director Options will be issued to Mr Picton or his nominee;
- (b) Resolution 1 seeks approval from Shareholders to allow the Company to issue the Director Options in the amounts specified in Section 3.1 above to Mr Picton or his nominee, and the Director Options are to be issued in accordance with the terms and conditions set out in Schedule A;
- (c) a Black and Scholes valuation of the Director Options is set out in Schedule B;
- (d) at the date of this Notice, Mr Picton holds the following relevant interests in Equity Securities of the Company:
 - (i) 14,189,275 Shares;

- (ii) 1,333,333 unquoted options exercisable at \$0.035 each on or before 21 June 2028, subject to a 1-year vesting period;
- (iii) 1,333,333 unquoted options exercisable at \$0.035 each on or before 21 June 2028, subject to a 2-year vesting period; and
- (iv) 1,333,334 unquoted options exercisable at \$0.035 each on or before 21 June 2028, subject to a 3-year vesting period.

Assuming that Resolution 1 is approved by Shareholders, all of the Director Options are issued and exercised in Shares, and no other Equity Securities are issued or exercised, Mr Picton's interest would represent approximately 9.03% of the Company's expanded capital;

- (e) the highest and lowest closing market price of the Shares on ASX during the 12 months prior to the date of this Notice were:

| | |
|---------|-------------------|
| Highest | \$0.050 per Share |
| Lowest | \$0.020 per Share |

the closing market price of the Shares on ASX prior to the date of this Notice was \$0.021 per Share on 21 February 2024;

- (f) the issue of the Director Options will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Director Options are exercised. The potential dilution effect is summarised below.

| Director Options | Dilutionary effect |
|------------------|--------------------|
| Tranche 1 | 2.46% |
| Tranche 2 | 2.40% |
| Tranche 3 | 2.35% |

The above table assumes the current Share capital structure as at the date of this Notice (being 660,607,192 Shares) and that no Shares are issued other than the Shares issued on exercise of the Director Options. The actual dilution will depend on the extent that additional Shares are issued by the Company;

- (g) Mr Picton is a Director of the Company and therefore the Board believes that the grant of the Director Options are considered an appropriate mechanism to participate in the future development of the Company and an incentive for their future involvement with, and commitment to, the Company;
- (h) there are no taxation consequences for the Company arising from the issue of the Director Options (including fringe benefits tax); and
- (i) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

3.6 Board Recommendation

The Directors, other than Mr Picton who has a material personal interest in the outcome of Resolution 1, recommend that Shareholders vote in favour of Resolution 1 on the basis that the grant of the Director Options will allow the Company to adequately reward and incentivise Mr Picton whilst preserving the Company's limited cash reserves.

Mr Picton has a material personal interest in the outcome of Resolution 1 and accordingly does not make any coting recommendations to Shareholders in this regard.

The Chair intends to vote undirected proxies in favour of Resolution 1.

4. Resolution 2 – Approval to issue Placement Shares to Director – Stephen Picton

4.1 General

As announced on 6 February 2024, the Company proposes to undertake a private placement to Mr Picton of 43,478,261 Shares at an issue price of \$0.023 per Share to raise approximately \$1 million (before costs) (**Placement Shares**).

The Company has received firm commitment from Mr Picton by way of a placement letter, and the issue of the Placement Shares is subject to shareholder approval pursuant to Listing Rule 10.11. The Placement Shares will be ordinary fully paid shares in the Company and will rank equally in all respects with the existing Shares on issue. Mr Picton will not receive any fees in relation to the placement.

Listing Rule 10.11 provides that, unless a specified exception applies, a company must not issue or agree to issue securities to a related party without the approval of ordinary shareholders. A “related party”, for the purposes of the Listing Rules, has the meaning given to it in the Corporations Act, and includes the directors of a company.

As such, Shareholder approval is sought under Listing Rule 10.11 as Resolution 2 proposes the issue of Shares to Mr Picton, who is a related party of the Company by virtue of his directorship.

Resolution 2 is an ordinary resolution.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Placement Shares to Mr Picton. In addition, the issue of these Placement Shares will be excluded from the calculations of the number of Equity Securities that the Company can use without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Placement Shares to Mr Picton and the Company will not receive any funding from these Placement Shares.

4.2 **Specific information required by Listing Rule 10.13**

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of Placement Shares:

- (a) Resolution 2 contemplates the issue of Placement Shares to Mr Picton (or his nominee), who is a Director of the Company;
- (b) Mr Picton is a Director and is therefore a related party and subject to Listing Rule 10.11.1;
- (c) the maximum number of securities to be issued under Resolution 2 is 43,478,261 Shares;
- (d) the Placement Shares will be fully paid ordinary shares in the capital of the Company on the same terms and conditions as the Company’s existing Shares and rank equally in all respects with the existing Shares. The Company will apply to ASX for official quotation of the Placement Shares;
- (e) the securities will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue will occur on the same date;
- (f) the issue price of the Placement Shares will be \$0.023 per Share;
- (g) the purpose of the issue is to raise approximately \$1 million (before costs) for the purposes of progressing infrastructure upgrades and R&D initiatives, integrating and deploying third party SaaS across the Company’s platform and accelerating product development initiatives, investing in marketing campaigns and general working capital;
- (h) Mr Picton’s annual total remuneration in Australian dollars (including superannuation) for the previous and current financial years is set out in Section 3.3(i) above. The Placement Shares to be issued are not intended to remunerate or incentivise Mr Picton;
- (i) the Placement Shares are being issued pursuant to a placement letter between the Company and Mr Picton, the material terms of which are set out in Section 4.1 above; and
- (j) a voting exclusion statement for Resolution 2 is included in the Notice of General Meeting preceding this Explanatory Statement.

4.3 **Chapter 2E of the Corporations Act**

As stated in Section 3.4 above, in accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

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

The issue of the Placement Shares under Resolution 2 constitutes the provision of a financial benefit and Mr Picton is a related party of the Company by virtue of being a Director.

One of the nominated exceptions to the requirement to obtain shareholder approval under Chapter 2E of the Corporations Act is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm’s length (or on terms less favourable than arm’s length). The Board considers the issue of Shares under Resolution 2 to constitute provision of a financial benefit on arm’s length terms, and accordingly that Shareholder approval under Chapter 2E of the Corporations Act is not required.

4.4 Board recommendation

The Directors, other than Mr Picton who has a material personal interest in the outcome of Resolution 2, recommend that Shareholders vote in favour of Resolution 2 on the basis that the issue of the Placement Shares will allow the Company to raise approximately \$1 million to be applied towards the Company's activities as described in Section 4.2(g).

Mr Picton has a material personal interest in the outcome of Resolution 2 and accordingly does not make any voting recommendations to Shareholders in this regard.

The Chair intends to vote undirected proxies in favour of Resolution 2.

Glossary

In this Notice and Explanatory Statement, the following terms have the following meanings:

| | |
|---------------------------------|---|
| \$ or A\$ | means Australian Dollars. |
| ASX | means the ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited. |
| Board | means the board of Directors. |
| Chair | means the chair of the Meeting. |
| Closely Related Party | means a closely related party of a member of Key Management Personnel as defined in section 9 of the Corporations Act, being: <ul style="list-style-type: none"> (a) a spouse or child of the member; (b) a child of that member's spouse; (c) a dependent of that member or of that member's spouse; (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company; (e) a company that is controlled by that member; or (f) any other person prescribed by the regulations. |
| Company or Flexiroam | means Flexiroam Limited (ACN 143 777 397). |
| Corporations Act | means the <i>Corporations Act 2001</i> (Cth). |
| Director | means a current director of the Company. |
| Director Options | means the unlisted options proposed to be issued to Mr Picton on the terms and conditions set out in Schedule A, which are the subject of Resolution 1. |
| Equity Security | has the same meaning as in the Listing Rules. |
| Explanatory Statement | means the explanatory statement which forms part of the Notice. |
| Key Management Personnel | means the key management personnel of the Company as defined in section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, broadly including those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise). |
| Listing Rules | means the listing rules of the ASX. |
| Meeting | means the general meeting subject of this Notice. |
| Notice | means this notice convening the general meeting of the Company. |
| Placement Shares | has the meaning given to that term in Section 4.1. |
| Proxy Form | means the proxy form attached to the Notice. |
| Section | means a section of this Explanatory Statement. |
| Share | means a fully paid ordinary share in the capital of the Company. |
| Shareholder | means a holder of a Share. |
| Virtual Meeting | has the same meaning as Meeting. |
| WST | Western Standard Time, being the time in Perth, Western Australia. |

In this Notice, words importing the singular include the plural and vice versa.

Schedule A – Terms and Conditions of Director Options

1. Entitlement

- (a) Each Director Option entitles the holder to subscribe for one Share upon exercise of the Director Option.
- (b) The holder is not required to pay any amount to the Company for the grant of a Director Option.

2. Exercise Price

Subject to these terms, the exercise price for each tranche is set out below:

| Class | Number of Director Options proposed to be issued | Exercise Price per option | Expiry Date |
|--------------|---|----------------------------------|--------------------------------|
| Tranche 1 | 16,666,666 | \$0.035 | 5 years from the date of issue |
| Tranche 2 | 16,666,667 | \$0.075 | 5 years from the date of issue |
| Tranche 3 | 16,666,667 | \$0.115 | 5 years from the date of issue |

3. Expiry Date

Each Director Option will expire at 5:00pm (WST) on the date that is 5 years after the date of issue (**Expiry Date**).

4. Exercise Period and Lapsing

Each Director Option is exercisable at any time on or prior to the Expiry Date (**Exercise Period**). After this time, any unexercised Director Option will automatically lapse.

5. Exercise Notice and Payment

Director Options may be exercised by notice in writing to the Company (**Exercise Notice**) together with payment to the Company of the Exercise Price for each Director Option being exercised. Any Exercise Notice for a Director Option received by the Company will be deemed to be a notice of exercise as at the date of receipt. Cheques paid in connection with the exercise of Director Options must be in Australian currency, made payable to the Company and crossed "Not Negotiable".

6. Shares issued on exercise

Shares issued on exercise of the Director Options will rank equally in all respects with then existing fully paid ordinary shares in the Company.

7. Timing of Issue of Shares on Exercise

- (a) Within 15 Business Days after the Exercise Date, the Company will:
 - (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Director Options.
- (b) If a notice delivered under item 7(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. Reconstruction of Capital

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

9. Participation in New Issues

There are no participation rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options (e.g. bonus issues, entitlement issues) without exercising the Director Options.

10. Unquoted

The Company will not apply for quotation of the Director Options on ASX.

11. Transferability

The Director Options are not transferable.

12. Voting

A Director Option does not confer on the holder any right to vote on any resolution proposed at a general meeting of the Company, except and only to the extent required by applicable law.

13. Dividends

A Director Option does not confer on the holder any right to receive a dividend by the Company, whether fixed or at the discretion of the directors of the Company.

14. Returns of Capital and Winding-up

A Director Option does not confer on the holder any right to:

- (a) any right to a return of capital by the Company, whether on winding-up of the Company, a reduction of capital or otherwise; or
- (b) participate in the surplus profits or assets of the Company on winding-up of the Company.

15. Change of Control

Upon:

- (a) a takeover bid under Chapter 6 of the Corporations Act having:
 - (i) been made in respect of the Company;
 - (ii) received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (iii) been declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

to the extent the Director Options have not vested due to satisfaction of the Performance and/or Vesting Conditions, the Director Options automatically vest to that number of Shares which when issued together with all Shares issued under any other class of convertible securities then on issue, is equal to the lesser of one Share per option and 10% of the total Shares on issue in the Company at that time. Director Options that are not vested and exercised into Shares will continue to be held by the holder on the same terms and conditions.

16. Takeovers Limitation

Notwithstanding any other provisions of these terms, if the exercise of any Director Option would result in any person being in breach of section 606(1) of the Corporations Act, the exercise of each option that would cause the contravention will be deferred until such time or times thereafter that the exercise would not result in a contravention of section 606(1).

17. Shareholder and Regulatory Approvals

Notwithstanding any other provision of these terms, exercise of the Director Options into Shares will be subject to the Company obtaining all required (if any) Shareholder and regulatory approvals for the purpose of issuing the Shares to the holder.

Schedule B – Valuation of Director Options

The Director Options proposed to be issued to Mr Stephen Picton pursuant to Resolution 1 have been valued using the Black and Scholes valuation model based on the assumptions set out below.

| Assumptions | Tranche 1 | Tranche 2 | Tranche 3 |
|---|------------------|------------------|------------------|
| Valuation Date | 13 February 2024 | 13 February 2024 | 13 February 2024 |
| Market price of Shares (at Valuation Date) | \$0.02 | \$0.02 | \$0.02 |
| Exercise price | \$0.035 | \$0.075 | \$0.115 |
| Exercise period (years) | 5 years | 5 years | 5 years |
| Risk free interest rate | 3.8% | 3.8% | 3.8% |
| Share price volatility | 35% | 35% | 35% |
| Dividend yield | Nil | Nil | Nil |
| Theoretical value per Director Option | \$0.004 | \$0.001 | \$0.001 |
| Number of Director Options per Tranche | 16,666,666 | 16,666,667 | 16,666,667 |
| Total theoretical value per Tranche | \$66,667 | \$16,667 | \$16,667 |

Notes:

The Australian Accounting Standards require the unlisted options to be expensed over the exercise and/or vesting period in accordance with AASB 2 – Share Based Payments. Expensing the Director Options will have the effect of increasing both expenses and the equity of the Company. There will be no impact on the net assets, cash position or financial resources of the Company as a result of expensing the Director Options.

Schedule C – Summary of key terms and conditions of the Employee Share Option Plan (Plan)

1. Participation

The Board of Flexiroam Limited (**Board**) may from time to time in its sole and absolute discretion determine that a person who is an eligible employee under the Plan (**Eligible Employee**) may participate in the Plan.

Participants in the Plan may be:

- (a) full-time or part-time employee, including an Executive Director;
- (b) a non-executive Director;
- (c) a contractor;
- (d) casual employee where they are, or might reasonably be expected to be, engaged to work the pro-rata equivalent of 40% or more of a comparable full-time position; or
- (e) a person to whom an offer is made but who can only accept the offer if an arrangement has been entered into that will result in the person becoming covered by one of paragraphs (i), (ii), (iii) or (iv) above,

(**Eligible Person**).

2. Offers to participate

Following a determination that an Eligible Employee may participate in the Plan, the Board may at any time and from time to time make an invitation to an Eligible Employee to apply for the grant of Options (**Awards**) under the rules in respect of the operation of the Plan (**Rules**) to the Eligible Employee (**Offer**).

The terms and conditions of Awards offered or granted under the Rules to each Eligible Employee will be determined by the Board in its sole and absolute discretion and set out in an offer letter delivered to the Eligible Employee (**Offer Letter**). The Offer Letter will include as a minimum:

- the date of the Offer;
- the name of the Eligible Employee to whom the Offer is made;
- the number and type of Award which are capable of becoming exercisable if the conditions (if any) are met;
- the grant date;
- in the case of an Option, the exercise price and the exercise period;
- the expiry date (if any);
- any applicable conditions associated with the Award;
- any disposal or other restrictions attaching to the Award or the fully paid ordinary share (**Share**) issued upon exercise of the Award;
- any rights attaching to the Award;
- agreement with the Eligible Employee for the company to supply details to third parties where required by law.

3. Rules of the Plan

- (i) **Nature of Awards:** Each Option entitles the participant holding the Award to subscribe for, or be transferred, one Share. Any Share acquired pursuant to the exercise of an Option will rank equally with all existing Shares from the date of acquisition.
- (ii) **Consideration:** An Eligible Employee will pay the amount required for exercise of the Options based on the exercise price.
- (iii) **Conditions:** Awards may be subject to exercise conditions, performance hurdles or vesting conditions (**Conditions**). These Conditions must be specified in the Offer Letter to Eligible Employees. In the event that a takeover bid for the Company is declared unconditional, there is a change of Control in the Company, or if a merger by way of a scheme of arrangement has been approved by the court, then the Board may determine that:
 - (a) all or a percentage of unvested Options will vest and become exercisable; and
 - (b) any Shares issued or transferred to a participant under the Plan that have restrictions (on their disposal, the granting of any security interest in or over, or otherwise on dealing with), will be free from any restrictions on disposal, and implement any procedure it deems appropriate to ensure compliance by the participant with the restriction.

- (iv) **Vesting of Awards:** Awards will vest if and when any Conditions have been satisfied, waived by the Board, or are deemed to have been satisfied under the Plan rules, and the Company has issued a notice (**Vesting Notification**) to the participant informing them that some or all of their Awards have vested.
- (v) **Exercise of Awards:** The period during which an Option may be exercised will commence when a Vesting Notification (if applicable) has been issued by the Company and ends on the Expiry Date (as defined below). Vested Awards must be exercised by delivering to the Company a signed notice together with all other required documents and in the case of vested Options, a cheque or cash or such other form of payment determined by the Board for the amount of the Exercise Price (if any and including paragraph (vi) below).
- (vi) **Cashless exercise:** The Board may determine that participants can elect to pay the exercise price for an “in the money” Option by setting off the exercise price against the number of Shares which they are entitled to receive upon exercise (**Cashless Exercise Facility**). By using the Cashless Exercise Facility, the participant will receive Shares to the value of the surplus after the exercise price has been set off.

If a participant elects to use the Cashless Exercise Facility, the participant will only be issued that number of Shares (rounded down to the nearest whole number) as are equal to the value of the difference between the exercise price otherwise payable for the Options and the then market value of the Shares at the time of exercise (determined as the volume weighted average price of Shares on the ASX over the five trading days prior to providing a notice of exercise).

- (vii) **Lapse:** Unvested Awards will generally lapse on the earlier of:
 - (a) the cessation of employment, engagement or office of a relevant person;
 - (b) if any applicable Conditions are not achieved by the relevant time;
 - (c) the day the Board makes a determination that all unvested Awards and vested Options of the relevant person will lapse because, in the opinion of the Board a relevant person has acted fraudulently or dishonestly, or is in material breach of their duties or obligations to the Company;
 - (d) the Board determines that any applicable Conditions have not been met and cannot be met prior to the date that is 5 years from the grant date or any other date determined by the Board and as specified in the Offer (**Expiry Date**); or
 - (e) the Expiry Date.

Where a relevant person who holds Awards ceases employment with the Company and becomes a “Bad Leaver”, unvested Awards will lapse in accordance with paragraph (c) above and vested Options that have not been exercised will lapse on the date of cessation of employment, engagement or office. A Bad Leaver is a person who ceases employment or engagement with the Company (or its controlled entities) in the following circumstances:

- as a result of termination of their employment or engagement due to serious and wilful misconduct, a material breach of their contract of employment, engagement or office, gross negligence or other conduct justifying termination without notice under their contract of employment, engagement or office or at common law;
- the relevant person ceases their employment, engagement or office for any reason and commences employment, engagement or office, or otherwise acts, in breach of any post-termination restrictions contained in their contract of employment, engagement or office; or
- the relevant person is disqualified from managing corporations for the purposes of Part 2D.6 of the Corporations Act 2001 (Cth).

- (viii) **Good Leaver:** if a relevant person, who is classified as a “Good Leaver”, ceases employment, engagement or office with the Company, unless the Board determines otherwise, the persons Awards will lapse in accordance with the terms of the Plan and vested Options that have not been exercised will continue in force and remain exercisable, subject to the satisfaction of any other exercise conditions, for a period of 30 calendar days post cessation date. A Good Leaver is a person who is not a Bad Leaver, and includes where the relevant person’s employment, engagement or office ceases due to death, permanent incapacity, redundancy, resignation, retirement or any other reason the Board determines in its discretion.
- (ix) **No assignment:** Awards granted under the Plan may not be assigned, transferred, novated, encumbered with a security interest over them, or otherwise disposed of by a participant other than to a nominated party (such as a spouse, child, trustee of a trust or company) in accordance with the Plan, unless:
 - (a) the prior consent of the Board is obtained; or
 - (b) such assignment or transfer occurs by force of law upon the death of a participant to the participant’s legal representative.

- (x) **Change of Control:** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may, in accordance with Plan rules, determine the manner in which any or all of the unvested Awards will be dealt with, including, without limitation, in a manner that allows the participant to participate in and/or benefit from any transaction arising from or in

connection with the change of control event. The Company shall give written notice of any proposed change of control event to each participant.

- (xi) **Issue Limitations:** The Board is not entitled to make an Offer to an Eligible Employee if offers of Awards under the Plan or under similar plans (excluding offers to persons situated at the time of receipt of the offer outside of Australia, that do not require the use of a disclosure document, or made under a disclosure document) in the previous 3 years would exceed 5% of the issued capital of the Company.
- (xii) **Adjustments for Reorganisation:** If there is any reorganisation of the issued share capital of the Company, the rights of the Options will be varied in accordance with the ASX Listing Rules.
- (xiii) **Amendment of the Plan:** The Board may at any time amend the Plan rules without shareholder approval in respect of the following matters:
- amendments of a “housekeeping” nature;
 - changing the vesting and exercise provisions of the Plan and any Awards so that the scheduled expiry date is not extended, including to provide for accelerated vesting and early exercise of any Awards;
 - changing the termination provisions of the Plan or any Awards so that its originally scheduled expiry date is not extended;
 - changing the provisions on transferability of Awards for normal estate settlement purposes;
 - changing the process by which a participant who wishes to exercise their vested Awards can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; and
 - adding a conditional exercise feature which would give participants the ability to conditionally exercise in certain circumstances determined by the Board.

No amendment to Plan rules may be made if the amendment materially reduces the rights of any participant in respect of the Awards granted to them prior to the date of Amendment (except in relation to amendments stipulated by the Plan rules).

No amendment to the Plan that requires shareholder approval under any applicable securities law or requirements shall become effective until such approval is obtained.

The Board may at any time terminate the Plan or suspend the operation of the Plan.

Your proxy voting instruction must be received by **12.00pm (AWST) on Wednesday, 20 March 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au/>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

