HEAD OFFICE

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ABN 60 078 480 136



3 February 2023

Dear Shareholder,

Austin Engineering Limited – 2023 EGM – Notice and proxy form

Austin Engineering Limited (**Company**) advises that it will hold a General Meeting (**Meeting**) of Shareholders on Thursday, 9 March 2023 at 13.30 (AWST) at 100 Chisholm Crescent, Kewdale WA 6105.

The Meeting will seek an approval in connection with any financial assistance that may result from the Company's subsidiary, Mainetec Pty Ltd, entering into certain banking arrangements; and seek to ratify an issue of options to the Company's recently appointed Chief Operating Officer.

The Board has made the decision that the Meeting will be held in person (and not by virtual means).

The Notice of Meeting (**NOM**) is an important document 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 advisor, lawyer, accountant, or other professional advisor. If you have any difficulties obtaining a copy of the NOM please contact the Company's share registry, Computershare Investor Services Pty Ltd, on 1300 850 505 (within Australia) or +61 3 9415 4000 (overseas).

In accordance with section 110D(1) of the Corporations Act 2001 (Cth) (Corporations Act), the Company will not be sending hard copies of the NOM to shareholders unless a shareholder has requested a hard copy of the NOM or made an election to receive documents from the Company in physical form. The NOM can be viewed and downloaded from the Company's website at https://www.austineng.com/asx-announcements/ or https://www2.asx.com.au/markets/company/ang.

Shareholders are encouraged to vote online at <u>www.investorvote.com.au</u> or by returning the attached proxy form by:

Post to: Computershare Investor Services Pty Ltd GPO Box 242 Melbourne VIC 3001

Or

Fax to: 1800 783 447 within Australia or +61 3 9473 2555 outside Australia

Even if you plan to attend the Meeting, we encourage you to submit a directed proxy vote as early as possible so that your vote will be counted if for any reason you cannot attend.

Your proxy voting instruction must be received by 13.30 (AWST) on Tuesday, 7 March 2023 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.

For and on behalf of the Board,

Katina Nadebaum Company Secretary





Austin Engineering Limited ACN 078 480 136

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of Austin Engineering Limited ACN 078 480 136 (the **Company**) will be held at 13.30 (AWST) on Thursday, 9 March 2023 at 100 Chisholm Crescent, Kewdale WA 6105.

IMPORTANT NOTICE TO SHAREHOLDERS

It is currently anticipated that the Company will be holding the General Meeting in person. The Company has taken steps to ensure that all attendees will be able to participate in the Meeting while maintaining their health and safety and abiding by any applicable social distancing requirements.

Shareholders do not need to attend the Meeting in order to cast their vote(s). The Company therefore recommends that Shareholders who do not wish to attend the Meeting in person, but who wish to vote, appoint a proxy (and where desired, direct the proxy how to vote on the Resolutions) rather than attending in person.

If the Meeting cannot be held in person for any reason, the Company will seek to make additional arrangements as required.

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

Agenda

Resolution 1 – Approval of Financial Assistance

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

"That:

- (a) the Company approves the giving by Mainetec Pty Ltd ACN 142 913 504 (**Mainetec**) of financial assistance that may result from Mainetec's entry into and performance of the following documents to which it is party:
 - an Accession Letter between HSBC Bank Australia Limited ABN 48 006 434 162 (HSBC), the Company and Mainetec for Mainetec to accede as a guarantor to the Bilateral Facility Agreement dated 23 August 2021 between HSBC, the Company and others as amended by a First Deed of Amendment and Restatement dated 4 October 2022;
 - a General Security Deed to be granted by Mainetec in favour of HSBC; and
 - any document in any way connected with or related to any of the above documents or in respect of any matter arising out of or in relation to the above documents,

(*Financial Assistance*) for the purpose of or in connection with the acquisition by the Company of all of the issued share capital of Mainetec (*Mainetec Acquisition*), as further described in the Explanatory Memorandum accompanying this Notice, provided that the Company as the sole member of Mainetec approves (by way of a member's resolution) the giving of Financial Assistance in accordance with Section 260B(1) of the Corporations Act 2001 (Cth) (*Corporations Act*) and the financing of the Mainetec Acquisition; and

(b) the Financial Assistance is approved in accordance with section 260B(2) of the Corporations Act and for all other purposes."



Resolution 2 - Ratification of previous issue of Options

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

"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 5,000,000 Options under the Option Plan to Mr Vincent D'Rozario on the terms set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Vincent D'Rozario, being the person who participated in the issue, or any of his associates (as defined in the Listing Rules).

However, the Company need not disregard a vote cast in favour of this Resolution by:

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

Other Business

To transact any other business that may be brought forward in accordance with the Company's Constitution or the law.

Determination of Shareholders' Right to Vote

The Company has determined that persons who are registered holders of Shares at 16.00 (AWST) on Tuesday 7 March 2023 will be entitled to vote at the General Meeting.

Voting by Proxy

A Shareholder entitled to vote at the General Meeting may appoint a proxy. A proxy need not be a Shareholder.

A Shareholder 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.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. The effect of these sections is that if proxies vote, they must cast all directed proxies as directed, and any directed proxies that are not voted will automatically default to the chair of the General Meeting, who must vote the proxies as directed.

Lodgement of proxy documents

The following addresses are specified for the purposes of receipt of completed Proxy Forms and any authorities under which Proxy Forms are signed (or certified copies of those authorities):

By Facsimile:	(within Australia) 1800 783 447 (outside Australia) +61 3 9473 2555
By Post:	Computershare Investor Services Pty Limited, GPO Box 242 Melbourne VIC 3001
Online:	A proxy can be appointed electronically by visiting <u>www.investorvote.com.au</u> and following the instructions provided.



For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting instructions.

To be effective, a Proxy Form and the power of attorney (if any) under which the Proxy Form is signed (or a certified copy of the power of attorney) must be received by the Company at least 48 hours before the commencement of the Meeting (that is, by 13.30 (AWST) on Tuesday, 7 March 2023).

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

Bodies corporate

A body corporate may appoint an individual as its representative to exercise all or any of the powers the body may exercise (either as a shareholder or as a proxy) at a meeting of a company's shareholders in accordance with section 250D of the Corporations Act. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution. The form of appointment, including any authority under which it is signed, must be received by Computershare Investor Services by no later than the commencement of the Meeting, unless it has previously been given to the Company.

Dated: 3 February 2023

By order of the Board

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Katina Nadebaum Company Secretary



Explanatory Memorandum

This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of the Resolutions to be put to the General Meeting to be held at 13.30 (AWST) on Thursday, 9 March 2023 at 100 Chisholm Crescent, Kewdale, WA 6105.

The Explanatory Memorandum should be read with, and forms part of, the accompanying Notice of General Meeting.

1. Glossary

The following terms and abbreviations used in this Explanatory Memorandum (and the Notice of Meeting to which it forms a part of), have the following meanings:

ASX	ASX Limited (ACN 008 624 691) and where the context requires, means the Australian Securities Exchange operated by ASX Limited
ASX Listing Rules or Listing Rules	The official Listing Rules of the ASX, as amended from time to time
Board	The board of Directors of the Company
Company or Austin	Austin Engineering Limited (ACN 078 480 136)
Company's Constitution or Constitution	The constitution of Austin
Corporations Act	The Corporations Act 2001 (Cth) as amended from time to time
Director	A director of the Company
Equity Security	Has the meaning given in Chapter 19 of the Listing Rules
Explanatory Memorandum	The explanatory memorandum which forms a part of the Notice of Meeting
General Meeting	The general meeting of the Company notified to Shareholders by this Notice of Meeting
HSBC	HSBC Bank Australia Limited ABN 48 006 434 162
Mainetec	Mainetec Pty Ltd (ACN 142 913 504)
Mainetec Acquisition	Has the meaning given in the Explanatory Memorandum accompanying this Notice of Meeting
Notice of Meeting or Notice	This notice of meeting incorporating the Explanatory Memorandum
Option	An option granted pursuant to the Option Plan to acquire one Share upon and subject to the terms of the Option Plan and the terms of the relevant offer document
Option Plan	The Austin Engineering Limited Incentive Option Plan, the terms of which are summarised in Annexure B



Performance Condition	A condition based on performance or other criteria which must be satisfied, or circumstances which must exist, before an Option vests under the rules of the Option Plan
Resolution	A resolution contained in the Notice of Meeting to which this Explanatory Memorandum relates
Shareholder	A person registered as the holder of Shares in the register of members of the Company
Shares	Fully paid ordinary shares in the Company

1. Resolution 1 – Approval of Financial Assistance

On 23 August 2022, the Company announced to ASX that it had entered into a binding agreement to acquire Australian mining equipment manufacturer, Mainetec for an initial amount of \$19.6 million, funded through cash reserves and debt (**Mainetec Acquisition**).

The Mainetec Acquisition was pursued to give the Company access to Mainetec's Hulk range of high performance mining buckets increasing the potential customer base in all of the Company's markets. The Hulk buckets complement Austin's recently launched JEC bucket range and the dual product offering would increase Austin's bucket market share in Australia, especially on the East Coast where Mainetec has a well-established presence. The Company also announced that it planned to offer Mainetec's high value dipper buckets into its global markets, particularly North and South America, where there is high demand and a large dipper bucket market.

The Company announced that the initial instalment of the Mainetec Acquisition was to be partly funded through a proposed \$11 million, three year, fully amortising debt facility from HSBC Bank (the Company's existing banker, who already provided a \$35 million Multi-Option facility to Austin). This debt facility carries a competitive interest cost of 2.05% above BBSY, in line with the Company's existing Multi-Option Facility.

The Company subsequently satisfied the conditions to be able to draw down under the new HSBC debt facility and announced to ASX on 11 October 2022 that the Mainetec Acquisition had successfully completed. As a result of the Mainetec Acquisition, Mainetec became a wholly owned subsidiary of the Company.

The terms of the bilateral facility agreement between, among others, Austin and HSBC dated 23 August 2021 (as amended) (the **Facility Agreement**), including in relation to interest payments, events of default, undertakings, representations and warranties (from Austin and its subsidiaries) are customary for a facility of this nature. The aggregate commitment of HSBC under the Facility Agreement is now \$50,370,000.

The terms of the Facility Agreement require that the Company procure that Mainetec accede to the Facility Agreement (as a guarantor) by no later than 8 April 2023. The Facility Agreement also requires that when Maintec accedes to the Facility Agreement as a guarantor, Mainetec must provide security over all of its assets in favour of HSBC. This means that Maintetec will also guarantee (and provide security over its assets for) the obligations of Austin (and other Austin subsidiaries) under the Facility Agreement. Accordingly, Mainetec will be required to execute an accession letter whereby it agrees to become an additional guarantor under the terms of the Facility Agreement. By executing that accession letter, Mainetec will give a guarantee and indemnity in favour of HSBC in respect of all amounts owing by Austin (and other Austin subsidiaries) under or in relation to the Facility Agreement (the **Guarantee**). Maintec will also provide security (by way of a general security deed) over its assets in favour of HSBC (the **Security**).

The terms of the Guarantee are customary for a guarantee and indemnity of credit facilities such as those provided under the Facility Agreement and includes representations and warranties and undertakings by Mainetec as guarantor. The undertakings include negative undertakings which will restrict Mainetec from, among other things, granting security over its assets to other parties, disposing of assets and incurring financial indebtedness unless otherwise permitted under the terms of the Facility Agreement. The terms of the Security are also customary for security to be provided in connection with credit facilities such as those provided under the Facility Agreement.



Upon Austin, Mainetec or other Austin's subsidiaries that have provided a guarantee and indemnity to HSBC committing an event of default under the Facility Agreement, HSBC will have a number of rights including accelerating the monies loaned by HSBC under the Facility Agreement. HSBC is not required to make a claim against the Company or any other obligor under the Facility Agreement before claiming on a guarantor of the Facility Agreement (such as Mainetec). The failure of Mainetec to accede to the Facility Agreement (and provide the Guarantee and the Security) would also constitute an event of default by Austin giving HSBC a number of rights.

Financial assistance – Corporations Act requirement for shareholder approval

Section 260A of the Corporations Act prohibits a company from giving financial assistance for the purpose of, or in connection with, the acquisition by any person of any shares in that company or a holding company of that company, unless:

- (a) the giving of the assistance does not materially prejudice:
 - (i) the interests of the company or its shareholders or
 - (ii) the company's ability to pay its creditors;
- (b) the assistance is approved by shareholders under section 260B of the Corporations Act; or
- (c) the assistance is exempted under section 260C of the Corporations Act.

Under section 260A(2) the financial assistance may be given before or after the acquisition of shares. The expression "financial assistance" is a broad concept and includes such things as payments, loans, the provision of guarantees, indemnities and securities, releasing pre-existing obligations and the forgiving of debt. For present purposes, the provision by Mainetec of the Guarantee and the Security in favour of HSBC in connection with the Company's acquisition of the shares in Mainetec is likely to be considered to be "financial assistance" for the purposes of section 260A of the Corporations Act.

Due to uncertainty surrounding the expression "material prejudice" and the fact that, on the face of it, providing the Guarantee and the Security does potentially prejudice Mainetec's balance sheet and freedom to operate its business, both the sole director of Mainetec and the Directors believe it is prudent to obtain the approval of shareholders to ensure that all companies are in full compliance with section 260A of the Corporations Act.

Mainetec will therefore seek the approval of its own shareholder (being the Company) to grant financial assistance in connection with the Mainetec Acquisition (by acceding to the Facility Agreement, giving the Guarantee and the Security, and giving any other indemnity or security over its assets that is required to secure its obligations under the Facility Agreement and under any related document).

Under section 260B of the Corporations Act if, immediately after the relevant acquisition, the company giving financial assistance will be a subsidiary of another corporation which is listed in Australia (**Listed Australian Holding Company**), then the financial assistance must also be approved by a special resolution of the shareholders of that Listed Australian Holding Company.

Accordingly, the Company, as the Listed Australian Holding Company of Mainetec immediately following the Mainetec Acquisition, will need to obtain the approval of its own shareholders for the giving of the financial assistance (through the provision of the Guarantee and the Security in favour of HSBC) by Mainetec. That is the purpose of Resolution 1 to be considered at the General Meeting.

Reasons for the proposal of financial assistance

HSBC required, as one of the conditions of providing debt financing to the Company (which debt was used to partly fund the acquisition of shares in Mainetec), that Mainetec accede to the Facility Agreement and provide the Guarantee and the Security.

The financial assistance described above is being given to ensure that the Company complies with its obligations under the Facility Agreement and to ensure that no event of default occurs under it.



If Mainetec does not accede to the Facility Agreement (and give the Guarantee and the Security) by 8 April 2023, the Company will be in default of its obligations under the Facility Agreement which could result in HSBC exercising rights available to it under that agreement (such as demanding repayment). In order to provide the financial assistance, the Company requires Resolution 1 to be passed at the General Meeting.

Effect of the financial assistance

In accordance with section 260B(4) of the Corporations Act and in addition to the information set out elsewhere in this Explanatory Memorandum, the Company provides the following further information in relation to the proposed financial assistance by the Company.

(a) Effect of the financial assistance for the Company

Advantages

If Mainetec accedes to the Facility Agreement and grants the Guarantee and the Security, this will allow the Company to satisfy its obligations to HSBC in terms of satisfying the undertakings provided by the Company to HSBC and thus avoid a potential event of default under the Facility Agreement.

Disadvantages

As the Company is already liable for the amounts due under the Facility Agreement, the Directors of the Company do not believe there are any disadvantages to the Company in respect of Resolution 1.

(b) Effect of the financial assistance for Mainetec

Advantages

The funding which has been provided under the Facility Agreement benefits the Austin corporate group of which Mainetec is a member.

If Resolution 1 is passed and the financial assistance is given through the provision of the Guarantee and the Security, then Mainetec will be able to accede to the Facility Agreement as an additional guarantor and so allow the Company to meet its obligations under the Facility Agreement (by satisfying the undertakings provided by the Company to HSBC) and avoid the occurrence of an event of default.

If an event of default occurs, HSBC may require immediate repayment of the amounts due under the Facility Agreement, which would have a material impact on the operations of both the Company and Mainetec. In such a case, the Company may be forced to refinance the Facility Agreement on less advantageous terms.

Disadvantages

If Resolution 1 is passed and the financial assistance is given through the provision of the Guarantee and the Security, then Mainetec will become a guarantor and be liable to repay all moneys payable under the Facility Agreement and Mainetec will provide security over its assets (to HSBC) to support this guarantee.

This may have an adverse effect on the financial position of Mainetec as it will become liable for the debts and obligations of the Company (and the other Austin subsidiaries that are guarantors) under the Facility Agreement. If the Company (or another Austin subsidiary that are guarantors) were to default under the Facility Agreement, HSBC may make a demand under the Guarantee given by Mainetec requiring it to immediately repay amounts due under the Facility Agreement, which may result in a winding up of Mainetec.

The operations of Mainetec, including its ability to borrow money in the future from other financiers, may also be restricted by the representations and undertakings, and the Guarantee and Security given by it (including the associated general security deed), in connection with the Facility Agreement.



The Directors have no reason to believe that there are any prevailing circumstances making a claim under the Guarantee probable or likely. In any event, the Directors believe that any potential disadvantages relating to the potential liability of Mainetec under the Guarantee and the Security are outweighed by the advantages to the Company (and the Austin corporate group) in granting the Guarantee and the Security.

Disclosure

The Directors consider that the Notice and this Explanatory Memorandum contains all information known to the Company that would be material to the Shareholders in deciding how to vote on Resolution 1 (other than information which would be unreasonable to require the Company to include because it has been previously disclosed to the Shareholders of the Company).

Prior notice to Australian Securities and Investments Commission

As required by section 260B(5) of the Corporations Act, a copy of the Notice and Explanatory Memorandum as sent to Shareholders, was lodged with ASIC prior to its dispatch to Shareholders.

The Board recommends that Shareholders vote in favour of this Resolution 1.

2. Resolution 2 – Ratification of previous issue of Options

Background

As announced to ASX on 12 January 2023, the Company appointed Mr Vincent D'Rozario as the Chief Operating Officer of the Company effective on and from 20 January 2023. Mr D'Rozario was initially employed by the Company on 4 January 2023 and commenced in his role as Chief Operating Officer on 20 January 2023. As part of Mr D'Rozario's remuneration package, and to incentivise performance and to encourage retention, the Company issued 5,000,000 Options to Mr D'Rozario under the Option Plan (**Incentive Options**).

A summary of the Incentive Options is set out in **Annexure A**. A summary of the material terms of the Option Plan is set out in **Annexure B**.

Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the number 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.

Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or after the company has agreed to make it. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without Shareholder approval under that rule.

Shareholder approval sought

The issue of the Incentive Options does not fit within any of the exceptions to Listing Rule 7.1. Accordingly, as the issue has not yet been approved by Shareholders, it has used up some of the Company's 15% limit under Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Incentive Options.

Under this Resolution 2, the Company seeks Shareholder approval for, and ratification of, the issue of the Incentive Options under and for the purposes of Listing Rule 7.4 so as to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.



If this Resolution 2 is passed, the issue of the Incentive Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Incentive Options.

If this Resolution 2 is not passed, the issue of the Incentive Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, and will continue to restrict the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Incentive Options.

Information required by Listing Rule 7.5

Listing Rule 7.5 requires the following specific information to be provided in relation to this Resolution 2:

- (a) The Incentive Options were issued to Mr Vincent D'Rozario, the Chief Operating Officer of the Company.
- (b) 5,000,000 Options were issued in total.
- (c) The material terms of the Incentive Options are set out in **Annexure A** and a summary of the material terms of the Option Plan is set out in **Annexure B**.
- (d) The Incentive Options were issued on 12 January 2023.
- (e) The Incentive Options were issued under the Option Plan for nil cash consideration.
- (f) The Incentive Options were issued as part of Mr D'Rozario's remuneration package and to incentivise performance and to encourage retention. No funds will be raised by the issue of the Incentive Options, however if all Incentive Options are ultimately exercised in the traditional manner (i.e. by paying the exercise price in cash) the Company will raise \$1,750,000 (before costs) which will be applied towards pursing the Company's strategic activities at the time or otherwise used for general working capital purposes. See Annexure A for further information in relation to the way the Incentive Options may be exercised.
- (g) There are no other material terms to disclose in respect of the issue of the Incentive Options.

A voting exclusion applies to this Resolution in the terms set out in the Notice of Meeting.

The Board recommends that Shareholders vote in favour of this Resolution 2.



Annexure A – Material terms of Incentive Options

Material terms of the Incentive Options

- (a) A total of 5,000,000 Options have been issued.
- (b) Each Option has an exercise price of \$0.35 and an expiry date of three years and three months after the date of issue.
- (c) The Options are divided into nine tranches as set out in the table below, and are subject to two separately considered Performance Conditions. Both of these Performance Conditions must be satisfied in respect of a tranche of Options before Options in that particular tranche will vest (and become capable of exercise). The applicable Performance Conditions are as follows:
 - (i) **Retention Condition**: in order to encourage retention, Mr D'Rozario must remain in the employ of the Company, and must not have resigned or been given notice of termination, on the relevant Retention Date (set out in the table below) for each tranche of Options; and
 - (ii) Share Price Condition: in order to encourage performance, the Company's 60-day volume weighted average price must meet or exceed the relevant Share Price Hurdle (as set out in the table below) relating to the relevant tranche of Options. In relation to all nine tranches of Options, the Share Price Hurdle can be met at any point between 4 January 2023 and 4 January 2026. Provided the relevant Share Price Hurdle has been met at any point during this period, this vesting condition will be satisfied in respect of the relevant tranche.

Share Price Hurdle					
		45 cents	55 cents	65 cents	Total
	4 January	(Tranche 1)	(Tranche 2)	(Tranche 3)	
	2024	510,000	540,000	616,666	1,666,666
Retention	4 January	(Tranche 4)	(Tranche 5)	(Tranche 6)	
Dates	2025	510,000	540,000	616,667	1,666,667
	4 January	(Tranche 7)	(Tranche 8)	(Tranche 9)	
	2026	510,000	540,000	616,667	1,666,667
	Total	1,530,000	1,620,000	1,850,000	5,000,000

(d) Once Options become capable of exercise, they can be exercised by Mr D'Rozario in the traditional manner (i.e. by paying the exercise price in cash) or by way of "cashless exercise" (as described in paragraph (I) of **Annexure B** below). The Company also has the right, in its absolute discretion, to elect to "cash settle" some or all of the Options exercised by Mr D'Rozario.

Special Conditions:

The Board has determined to issue the Options on, and subject to the following special conditions:

- (a) Total and permanent disablement: unless the Board otherwise determines, the Retention Condition set out above will cease to apply in respect of Options held by Mr D'Rozario if Mr D'Rozario's employment with the Company ceases as a result of Mr D'Rozario's:
 - (i) Total and Permanent Disablement;
 - (ii) death; or
 - (iii)ill health,

on a pro-rata basis having regard to the portion of the period (between 4 January 2023 and 4 January 2026) actually worked up to the date of the event specified above.

(b) **Change of control**: unless the Board otherwise determines, the Retention Condition set out above will cease to apply in respect of all Options held by Mr D'Rozario if a change in control event (as described in paragraph (n) of **Annexure B** below) occurs.



Annexure B – Summary of the Option Plan

In this Annexure B, references to "Plan" mean references to the Option Plan.

The key terms of the Plan are as follows:

- (a) The Board may offer Options to Eligible Executives in the form of an "Offer Document".
- (b) The Board may offer Options to Eligible Executives having regard to the seniority of the Eligible Executive and the position the Eligible Executive occupies in the Group, each Eligible Executive's length of service with the Group, the record of employment of the Eligible Executive with the Group, the contribution the Eligible Executive has made to the Group, the potential contribution of the Eligible Executive to the Group and any other matters which the Board considers relevant.
- (c) No issue price is payable for the Options and the Offer Document will set out (among other things) the number of Options offered, the exercise price for an Option, the date the Options will expire, any vesting conditions or Performance Conditions applicable to the vesting or exercise of the Options, any variation to the rules of the Plan (or other special conditions) that the Board may wish to make or apply in respect of an offer and any other information required by law or the Listing Rules or considered by the Board to be relevant.
- (d) Upon receipt of an offer, an Eligible Executive may, by notice in writing to the Board, nominate a Nominee in whose favour the Eligible Executive wishes to renounce the offer. The Board may, in its discretion, resolve not to allow a renunciation of an offer in favour of a Nominee without giving any reason for that decision.
- (e) Subject to paragraph (f) below, Options subject to Performance Conditions will vest when (and to the extent) the Board determines that the Performance Conditions prescribed in the relevant Offer Document have been satisfied. Options that are not subject to Performance Conditions do not have any vesting criteria.
- (f) The Board may in its absolute discretion:
 - (i) increase or decrease the level of vesting irrespective of performance in relation to a Performance Condition if the Board forms the view in light of the circumstances that prevailed during the Measurement Period that either nil vesting or a different level of vesting would be more reasonable in the circumstances; and/or
 - (ii) vest some or all of a grant of Options prior to the end of the Measurement Period, if in the circumstances it considers it appropriate to do so.
- (g) Each Option will entitle a Participant (on exercise) to subscribe for and be issued one Share at the exercise price set out in the offer unless the Participant has chosen the cashless exercise option or the Company has determined to cash settle the Options.
- (h) Options may not be transferred.
- (i) Options will not be quoted on ASX.
- (j) Any Shares issued on exercise of Options will rank equally with all existing Shares on issue.
- (k) An Option is exercisable by the Participant lodging with the Company Secretary a notice of exercise, which must indicate whether the Participant wishes to exercise their Options in the traditional manner or by cashless exercise.
- (I) Where a Participant nominates cashless exercise then the Company will only issue such number of Shares as is equivalent to the number of Options being exercised multiplied by the excess of the Average Share Price over the exercise price, divided by the Average Share Price and then rounded down to a whole number.
- (m) Notwithstanding anything in the rules of the Plan, the Board may in its absolute discretion:
 - (i) determine from time to time that traditional or cashless exercise is not available; or
 - (ii) within 2 business days of receiving a notice of exercise, determine to:
 - (A) cash-settle some or all of the exercised Options; and/or



- (B) rather than issuing new Shares, acquire or procure the acquisition (by a trustee or otherwise) of an equivalent number of Shares on market in respect of some or all of the exercised Options and have those Shares transferred to the Participant.
- (n) The Board may determine (at any time) that some or all Options will vest (if applicable) and are or will become exercisable immediately if:
 - (i) an entity (which does not control the Company at the time the relevant Options were issued) makes a takeover bid in respect of Shares and both the bidder obtains Voting Power in the Company of more than 50% and the takeover offers are made or declared unconditional;
 - (ii) a transaction by way of compromise or arrangement under Part 5.1 of the Corporations Act is approved pursuant to which an entity (which does not control the Company at the time the relevant Options were issued) will obtain Voting Power in the Company of more than 50%; or
 - (iii) an event or transaction by which an entity (which does not control the Company at the time the relevant Options were issued) becomes or is to become the registered holder of more than 50% of the total issued Shares is approved or accepted by a majority of members of the Company.
- (o) An Option not exercised will lapse on the first to occur of:
 - (i) the expiry date of the Option as set out in the Offer Document;
 - a determination of the Board that there has been a failure to meet any Performance Condition or other vesting condition applicable to the Option within the Measurement Period or other specific period;
 - (iii) the expiry of 30 days, or any longer period which the Board determines, after the Participant ceases to be employed or engaged by any member of the Group for any reason, including death, Total and Permanent Disablement or retirement; and
 - (iv) a determination of the Board that the Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to the Company or any member of the Group and that the Option is to be forfeited.
- (p) The Board may, in its sole discretion, before an Option expires, determine that an Option will not lapse under the circumstances set out in paragraph (o) above if the Participant has ceased to be employed by any member of the Group as a result of:
 - (i) Total and Permanent Disablement, ill health, death, economic necessity or any other factor not attributable to the conduct or performance of that person; or
 - (ii) retirement under circumstances that are not related to the conduct or performance of that person,

in which case the Option will, subject to the Plan, remain exercisable by the Participant (or, where applicable, the Participant's executor, administrator or legal personal representative) until the date determined by the Board or until the Option otherwise lapses in accordance with the Plan.

- (q) Subject to paragraph 0 below, Options carry no right or entitlement to:
 - (i) a dividend, whether fixed or at the discretion of the Directors;
 - (ii) vote, except as otherwise required by law;
 - (iii) a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
 - (iv) participate in the surplus profits or assets of the Company upon a winding up; or
 - (v) participate in new issues of securities such as bonus issues or entitlement issues,

unless and until the Option has been exercised, and a Share has been issued in respect of the Option before the date of the relevant event. If required by the Listing Rules, the Company must give notice to Participants of any new issue before the record date for determining entitlements to that issue of securities.



- (r) Prior to the issue of Shares to a Participant upon exercise of Options, the Board may make any adjustments it considers appropriate to the terms of an Option granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action such as a capital raising or capital reconstruction.
- (s) The Board may stipulate in an Offer Document (or elsewhere) that Options may only be exercised if specific Performance Conditions are met, or the Company (or a business division) achieves other stipulated performance hurdles.
- (t) If, when making an offer of Options under the Plan, the Company does so in reliance on ASIC Class Order [CO 14/1000], it must, at the time of making the offer, have reasonable grounds to believe that the number of Shares that have been, or may be, issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of Shares:
 - (i) Shares that may be issued under the offer or any other offer to be made under the Plan (to the extent offered in reliance on ASIC Class Order [CO 14/1000]);
 - (ii) Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:
 - (A) the Plan or any other Employee Incentive Scheme (as defined in ASIC Class Order [CO 14/1000]) in reliance on ASIC Class Order [CO 14/1000] or its predecessors; or
 - (B) an ASIC exempt arrangement of a similar kind to an Employee Incentive Scheme (as defined in ASIC Class Order [CO 14/1000]).
- (u) Offers of Options made or Shares issued other than in reliance on ASIC Class Order [CO 14/1000] or its predecessors (such as offers received outside of Australia or under an exception in section 708 of the Corporations Act) will not be included in calculating the 5% limit.
- (v) Subject to the Plan, the Listing Rules and all applicable laws, the Board may at any time by resolution amend or add to all or any of the provisions of the Plan, amend or add to the terms or conditions of any Options granted under the Plan, or suspend or terminate the operation of the Plan.
- (w) The Board may waive, amend or replace any performance measure in a Performance Condition attaching to an Option if the Board determines that the original Performance Condition is no longer appropriate or applicable, provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position reasonably anticipated at the time of the grant.

Definitions

Associated Bodies Corporate means a body corporate:

- (a) that is a related body corporate of the Company;
- (b) that has Voting Power in the Company of not less than 20%; or
- (c) in which the Company has Voting Power of not less than 20%.

Average Share Price means the volume weighted average price of Shares on ASX over the 5 trading days prior to the date of a notice of exercise of Options.

Casual Employee means an individual who is, or might reasonably be expected to be, engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full-time position with a member of the Group.

Contractor means:

- (a) an individual with whom a member of the Group has entered into a contract for the provision of services under which the individual performs work for that member of the Group; or
- (b) a company with whom a member of the Group has entered into a contract for the provision of services under which an individual, who is a director of the company or their spouse, performs work for that member of the Group,



where the individual who performs the work under or in relation to the contract is, or might reasonably be expected to be, engaged to work the number of hours that are the pro rata equivalent of 40% or more of a comparable full-time position with the member of the Group.

Eligible Executive means an Executive nominated by the Board and who the Board determines in its absolute discretion is to participate in the Option Plan and who has not given or been given a notice of termination of employment.

Executive means a person who at the time of an offer under the Option Plan:

- (a) a full-time or part-time employee (including an executive director);
- (b) a non-executive director;
- (c) a Contractor;
- (d) a Casual Employee; or
- (e) a Prospective Participant,
- of a member of the Group.

Group means the Company and its Associated Bodies Corporate.

Measurement Period means a period for satisfaction of a Performance Condition, as specified in the offer made under the Option Plan, which shall be determined by the Board in its absolute discretion.

Nominee means a nominee of an Eligible Executive that is one of the following:

- (a) an immediate family member of the Eligible Executive;
- (b) a company whose members comprise no persons other than the Eligible Executive or immediate family members of the Eligible Executive;
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the Superannuation Industry (Supervision) Act 1993 (Cth)) where the Eligible Executive is a director of the trustee; or
- (d) where an offer is made other than in reliance on ASIC Class Order [CO 14/1000], a person or entity that is exempt from disclosure under section 708 of the Corporations Act and is approved for this purpose by the Board.

Participant means an Eligible Executive who is deemed to have accepted an offer and to whom an Option is (or is to be) issued under the Option Plan, or its Nominee (as the context requires).

Prospective Participant means a person to whom an offer is made under the Option Plan but who can only accept that offer if an arrangement has been entered into that will result in the person becoming covered by one of paragraphs (a) to (d) of the definition of Executive.

Total and Permanent Disablement means, in relation to a Participant means that the Participant has, in the opinion of the Board, after considering such medical and other evidence as it sees fit, become incapacitated to such an extent as to render the Participant unlikely ever to engage in any occupation for which he or she is reasonably qualified by education, training or experience.

Voting Power has the meaning given in section 610 of the Corporations Act



Need assistance?



Phone: 1300 850 505 (within Australia) +61 3 9415 4000 (outside Australia)

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Online: www.investorcentre.com/contact

ANGRM
MR RETURN SAMPLE
123 SAMPLE STREET
SAMPLE SURBURB
SAMPLETOWN VIC 3030



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by 1:30pm (AWST) on Tuesday, 7 March 2023.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

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

Joint Holding: Where the holding is in more than one name, all of the securityholders 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 form when you return it.

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

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at

www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

PIN: 99999

Your secure access information is



Control Number: 999999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited GPO Box 242 Melbourne VIC 3001 Australia

By Fax:

1800 783 447 within Australia or +61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Samples/000002/000002/i12

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Proxy	Form			Pi	ease mark 🗶 to	indicate	your dire	ections
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Step 2	Items of E	Business		E: If you mark the Abstain box for an ite ow of hands or a poll and your votes will				
						For /	Against	Abstain
Resolution 1	Approval of Fina	ncial Assistance						
Resolution 2	Ratification of pr	evious issue of O	ptions					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of S	ecurityholde	er(s) This se	ection must be completed.			
Individual or Securityholder 1	Securityholder 2		Securityholder 3			
Sole Director & Sole Company Secretary Update your communication deta Mobile Number	Director iils (Optional)	Email Address	Director/Company Se By providing your email add of Meeting & Proxy commun	ress, you consent to rece	Date	1
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