

# Notice of Annual General Meeting

**Location:** Mezzanine Floor, 200 Mary Street, Brisbane, QLD, 4000

**Virtual Attendance:** <https://meetnow.global/MZ24WQZ>

**Date:** Wednesday, 29 November 2023

**Time:** Commencing at 1:00PM AEST (Brisbane Time)

**Verbrec Limited (ASX : VBC)**

Level 14, 200 Mary Street

Brisbane QLD 4000

ACN: 127 897 689

**verbrec.com**

# Key Dates

The key dates for the Annual General Meeting are set out below:

Key Dates	
EVENT	DATE
Last day for receipt of proxies #	Monday, 27 November 2023 1:00PM Australian Eastern Standard Time (Brisbane Time)
Snapshot time for eligibility to vote	Monday, 27 November 2023 6:00PM Australian Eastern Standard Time (Brisbane Time)
Annual General Meeting	Wednesday, 29 November 2023 1:00PM Australian Eastern Standard Time (Brisbane Time)

# Proxy forms received after 1:00PM AEST (Brisbane Time) on Monday, 27 November 2023 will be disregarded.

## Questions

Shareholders are invited to contact the Company Secretary at [Investors@verbrec.com](mailto:Investors@verbrec.com) if they have any questions regarding the AGM.

# Notice of Annual General Meeting

Notice is given that the Annual General Meeting of Verbrec Limited (ACN: 127 897 689) (ASX : VBC) will be held on Wednesday, 29 November 2023 commencing at 1:00PM Australian Eastern Standard Time (Brisbane Time). Shareholders may attend the meeting by attending the location or following the virtual attendance link below:

**Location:** Mezzanine Floor, 200 Mary Street, Brisbane, QLD, 4000

**Virtual Attendance:** <https://meetnow.global/MZ24WQZ>

Shareholders will be able to attend physically or virtually at this Hybrid Annual General Meeting.

The Explanatory Statement, which accompanies and forms part of this Notice, contains information to assist Shareholders including access and registration, and to decide how to vote on the matters to be considered at the AGM.

Terms used in this Notice are defined in the Glossary in the Explanatory Statement.

## Ordinary Business

### Financial Statements and Reports

To receive and consider the financial report of the Company and the reports of the Directors and report of the auditors for the year ended 30 June 2023.

### Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, the following non-binding ordinary resolution:

***'That for the purposes of section 250R(2) of the Corporations Act, the remuneration report contained in the Director's report for the year ended 30 June 2023 be adopted by the Company.'***

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

### Resolution 2: Re-election of Mr Matthew Morgan as a Director

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

***'That, for the purposes of Listing Rule 14.4 and 14.5, and clause 9.2 of the Company's constitution, Mr Matthew Morgan, being a Director of the Company appointed as an addition to the Board, who retires by rotation, and being eligible, is re-elected as a Director of the Company.'***

# Special Business

## Resolution 3: Approval of the Verbrec Limited Rights Plan

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

**'That, for the purposes of Listing Rule 7.2, Exception 13, and for all other purposes, the Verbrec Limited Rights Plan (the Plan) and any grants of Rights (as defined in the Plan) issued under the Plan, be approved.'**

## Resolution 4: Increase of Placement Capacity

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

**'That, for the purposes of Listing Rule 7.1A, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula in Listing Rule 7.1A.2, and on the terms and conditions in the Explanatory Statement, be approved.'**

By Order of the Board

**Joel Voss**



Company Secretary  
Verbrec Limited  
27 October 2023

# Proxy Appointment, Voting and Meeting Instructions

## Meeting details and how to register, vote and ask questions

The Annual General Meeting of shareholders of the Company will be held both physically and virtually (hybrid) at **1:00pm Australian Eastern Standard Time (Brisbane time) on Wednesday, 29 November 2023.**

**Location:** Mezzanine Floor, 200 Mary Street, Brisbane, QLD, 4000

You may register to attend the webcast by following the link below:

**Virtual Attendance:** <https://meetnow.global/MZ24WQZ>

You will be able to vote live during the Annual General Meeting by:

- filling in a voting card provided at the venue
- visiting [www.investorvote.com.au](http://www.investorvote.com.au) on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Microsoft Edge or Firefox) as per the instructions on the attached Proxy Form.

Online voting registration will commence 30 minutes prior to the start of the Annual General Meeting and close 5 minutes after the last item of business. For full details on how to log on and vote online, please refer to the user guide, available online at: [www.computershare.com.au/onlinevotingguide](http://www.computershare.com.au/onlinevotingguide).

You can also lodge your proxy online, by post or by facsimile in accordance with the instructions contained in the proxy form accompanying this notice.

**The Board strongly encourages lodgement of proxy votes and submission of questions prior to the Annual General Meeting so the meeting can be held in an efficient manner.**

## Lodgement of Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be lodged no later than **1:00pm Australian Eastern Standard Time (Brisbane time) on Monday, 27 November 2023.** Any Proxy Form received after that time will not be valid for the Annual General Meeting. The Proxy Form may be lodged in one of the following ways:

- Online:** Follow the directions on the Proxy Form
- By hand:** Level 14, 200 Mary Street, Brisbane QLD 4000
- 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)

## Appointment of a Proxy

A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a member of the Company.

If you wish to appoint the Chairperson of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairperson of the Meeting, please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairperson of the Meeting will be your proxy. A proxy need not be a Shareholder of the Company.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by emailing the Company Secretary at [Investors@verbrec.com](mailto:Investors@verbrec.com) or you may photocopy the Proxy Form.

To appoint a second proxy, you must on each Proxy Form state (in the appropriate box) the percentage of your voting rights that are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

## The Chairperson of the Annual General Meeting acting as proxy

If a member directs the Chairperson how to vote on an item of business, the Chairperson must vote in accordance with the direction.

For proxies without voting instructions that are exercisable by the Chairperson, **the Chairperson intends to vote all available proxies in favour of each Resolution.**

In relation to the remuneration-related resolution (being Resolution 1), if you appoint the Chairperson of the meeting as your proxy, or the Chairperson is appointed as your proxy by default, then unless you mark one of the voting instruction boxes for the relevant Resolution, **you will be taken to have expressly authorised the Chairperson to vote in favour of that Resolution.**

## Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- two directors of the company;
- a director and a company secretary of the company; or
- for a proprietary company that has a sole director who is also the sole company secretary – that director.

## Votes on Resolution

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolutions. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions 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 Resolutions, and your proxy is not the Chairperson, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolutions will be invalid.

## Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company or the Company's share registry, Computershare Investor Services, before the Meeting or at the registration desk on the day of the Meeting. Certificates for the appointment of corporate representatives are available at [www.computershare.com](http://www.computershare.com) or on request by contacting Computershare Investor Services on telephone number 1300 552 270 (within Australia) or +61 3 9415 4000 (outside Australia).

## Voting Entitlement (Snapshot Time)

The Company's Directors have determined that all Shares of the Company that are quoted on ASX at **6:00pm Australian Eastern Standard Time (Brisbane time) on Monday, 27 November 2023** will, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time. Transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## Questions from Shareholders

At the Meeting the Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the remuneration report.

Cameron Smith of Grant Thornton, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2023 (or his representative), will attend the Meeting. The Chairperson will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than **3:00pm Australian Eastern Standard Time (Brisbane time) on Tuesday, 21 November 2023**:

**By Email:** [Investors@verbrec.com](mailto:Investors@verbrec.com)

**By hand:** Level 14, 200 Mary Street, Brisbane QLD 4000

**By mail:** PO Box 3291, Brisbane GPO QLD 4000

**By fax:** +61 7 3058 7111

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out any questions directed to the auditor received in writing by **1:00pm Australian Eastern Standard Time (Brisbane time) on Wednesday, 22 November 2023**, being questions that the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 30 June 2023. The Chairperson will allow reasonable opportunity to respond to the questions set out on this list.

# 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 Annual General Meeting.

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

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

## Financial Report

The Corporations Act requires the Directors' report, auditor's report and the financial statements of the Company for the year ended 30 June 2023 to be tabled at the Annual General Meeting.

Neither the Corporations Act nor the constitution requires a vote of Shareholders on the reports or financial statements. However, Shareholders will be given reasonable opportunity to raise questions on the reports and ask questions of the Company's auditor.

## Resolution 1: Adoption of Remuneration Report

The remuneration report is set out in the Directors' report in the Company's FY2023 Annual Report on pages 44 to 52), which is available on the Company's website at [https://verbrec.com/investor\\_centre\\_category/company-reports/](https://verbrec.com/investor_centre_category/company-reports/)

The remuneration report contains information regarding:

- the remuneration policy of the Company;
- the structure of the remuneration of Directors and senior executives and how it aligns with the Company's performance; and
- the remuneration of Directors and senior executives for the year ended 30 June 2023.

The Corporations Act requires the Company to put a resolution to Shareholders that the remuneration report be adopted. Under section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the remuneration report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors must go up for re-election.

## Voting prohibition statement

In accordance with section 250R of the Corporations Act, a vote on this Resolution 1 must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel whose remuneration details are included in the remuneration report; or



- a Closely Related Party of such member.

however, the above persons may cast a vote on Resolution 1 if:

- the person does so as a proxy;
- the vote is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the remuneration report or a Closely Related Party of such a member; and,

either:

- the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; or
- the voter is the Chairperson of the Annual General Meeting and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on Resolution 1 and expressly authorises the Chairperson to vote as the proxy even if the Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or, if the Company is part of a consolidated entity, for the entity.

### **Director's recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 1.

### **Resolution 2: Re-election of Mr Matthew Morgan as a Director**

Listing Rule 14.4 provides that a Director of the Company must not hold office (without re-election) past the third Annual General Meeting following the Director's appointment or three years, whichever is longer. Furthermore, Listing Rule 14.5 states that an election of Directors of the Company must be held at each Annual General Meeting and that this rule applies where no Director is required to stand for re-election under Listing Rule 14. At least one Director must stand for re-election, who will either volunteer or be determined by ballot. This rule is consistent with the Company's constitution under clause 9.2.

Mr Matthew Morgan has volunteered to retire on the basis of the requirements of 9.2(a) of the Company's constitution and stands for re-election in accordance with clause 9.2(b)(iv) of the Company's constitution.

Mr Morgan was appointed to the Board on 22 October 2019 as an Independent, Non-Executive Director. Mr Morgan's background and experience are contained on page 40 of the FY2023 Annual Report.

### **Director's recommendation**

The Directors (excluding Mr Morgan) unanimously recommend that Shareholders vote in favour of Resolution 2.

### Resolution 3: Approval of the Verbrec Limited Rights Plan

Consistent with ASX Listing Rule 7.2 (Exception 13), Resolution 3 seeks Shareholder approval for the Verbrec Limited Rights Plan in order to preserve the 15% limit in new issues of equity securities that may be made during any 12-month period, without shareholder approval.

If passed, the approval will exclude Rights issued under the Plan, from the calculation of the utilisation of the limit during the subsequent three (3) years.

Consistent with the requirements of Listing Rule 14.1A, the Company advises that if holders of ordinary securities do not approve this resolution, Board may determine that:

- (a) issues under the plan will be settled in cash rather than in equity; or
- (b) issues under the plan will count toward the 15% limit in Listing Rule 7.1 that may be made without shareholder approval.

Executive remuneration in Verbrec Limited (**Verbrec** or the **Company**) is reviewed by the nomination and remuneration committee and determined by the non-executive members of the board of Verbrec (**Board**), after considering relevant market practices and circumstances of the Company, on an annual basis. It is the view of the Board that it is in the interests of shareholders for selected executives, Directors and other employees (the Participants) to receive part of their remuneration in the form of equity.

The Plan is aligned with current regulations and market practices that suit the short and medium term goals of the Company. Equity interests are designed to form a significant component of variable remuneration for executives by facilitating long term variable remuneration (**LTVR**), and the deferral of short term variable remuneration (**STVR**) into equity, as well as potentially fixed remuneration and retention variable remuneration from time to time.

It is the view of the Board that holding of such equity creates alignment between shareholder interests and the interests of Participants.

If approved, grants under the Plan will facilitate Verbrec providing appropriate, competitive and performance-linked remuneration to the employees of the Company. The Board seeks to ensure that grants are made at levels that will appropriately position remuneration outcomes when compared to the market, in accordance with Verbrec's remuneration policies, and appropriate to the circumstances of the Company at the time.

Non-executive directors are not eligible to participate in the Plan and this is intended to support their independence in providing governance and oversight for this component of remuneration.

The maximum number of equity securities that may be issued under the Plan before Shareholder approval is sought again is 33 million being approximately 15% of the Company's issued Shares as at the date of this Notice of Meeting.

At the annual general meeting held on 27 November 2020 (**2020 AGM**), shareholders approved Rights to be issued under the Plan for a period of three years after the date of the 2020 AGM. The Company issued 10,354,848 Performance Rights under the Plan since the 2020 AGM, and subsequently, on 28 September 2023, in accordance with the Plan Rules, Board determined to cancel each tranche of Performance Rights issued under the Plan since the 2020 AGM, thus all 10,354,848 Performance Rights have now lapsed.

A summary of the main features of the Plan is set out in the table below:

## Rights Plan Feature Summary

ASPECT	DETAILS
Instrument	<p>The Plan uses Rights which may be constructed as part of the terms of an Invitation as an entitlement to the value of a Share (less any Exercise Price) which may be satisfied either in cash and/or in Shares (at the Board's discretion). Generally, it is expected that exercised Rights will be satisfied in Shares.</p> <p>The Plan allows for three classes of Rights which may be appropriate forms of remuneration under various circumstances, being:</p> <ul style="list-style-type: none"> <li>• Performance Rights which vest when performance conditions have been satisfied and will generally be used for the purpose of granting LTVR to executives,</li> <li>• Service Rights which vest after completion of a period of service and which will generally be used as a retention incentive below the executive level, if and when appropriate, and</li> <li>• Restricted Rights which are vested at grant but may not be exercised within 90 days of grant and will generally be used to defer earned remuneration from time to time e.g. to defer STVR or as part of fixed remuneration.</li> </ul> <p>When an Exercise Price greater than nil is specified in an Invitation the Rights are Share Appreciation Rights that only produce value when the Share Price exceeds the Exercise Price at the time of Exercise i.e. equivalent to an option. They may be Performance Share Appreciation Rights, Service Share Appreciation Rights or Restricted Share Appreciation rights under the foregoing classes of Rights.</p>
Terms and Conditions	<p>The Board has the discretion to set the terms and conditions on which it will offer Rights under the Plan. Such terms and conditions will be included in Invitations. When vesting conditions are included it is intended that they will be challenging and linked to indicators of sustainable value creation for shareholders.</p> <p>The terms and conditions of the Plan include those aspects legally required as well as terms addressing exceptional circumstances, such as a de-listing, a major return of capital to shareholders, including the treatment of Rights and Restricted Shares on termination of employment.</p> <p>The Plan contains customary and usual terms having regard to Australian law for dealing with winding up, administration, variation, suspension and termination of the Plan.</p>
Variation of Terms and Conditions	<p>To the extent permitted by the ASX Listing Rules, the Board retains the discretion to vary or amend the terms and conditions of the Plan.</p>
Eligibility	<p>Eligible Persons selected by the Board will be invited to participate in the Plan provided that an Eligible Person shall not be a non-executive Director of the Company.</p>
Term	<p>Each Invitation will specify the Term of Rights, as determined by the Board, and if not exercised within the Term the Rights will lapse. The maximum term allowable is 15 years under the Rules, which is based on the maximum tax deferral period in Australia.</p>
Number of Rights	<p>The number of Rights specified in an Invitation will be at the discretion of the Board. It is intended that the number of Rights to be granted will be determined subsequent to the AGM with regard to the relevant goals of the Company, relevant market practices and the relevant policies of the Company regarding remuneration, such that total remuneration is appropriate in both quantum and structure.</p>
Cost of Rights	<p>No amount is payable by Participants for Rights unless otherwise determined by the Board.</p>

ASPECT	DETAILS
Exercise Price	No Exercise Price is payable by a Participant to exercise Rights under the Rules. However, as part of the terms of an Invitation the Board may determine that a notional Exercise Price applies, which will be deducted from the value of a Share in determining the Exercised Rights Value i.e. creating a cashless exercise option or Share Appreciation Right which functions identically to an option, but is less dilutive than traditional options from a shareholder perspective.
Measurement Period	The Measurement Period is the period over which vesting conditions are assessed and may be determined by the Board as part of each Invitation but will generally be tested for vesting against Vesting Criteria annually over a five-year period for Performance Rights, starting from the beginning of the first financial year in the Measurement Period (including for Performance Share Appreciation Rights).
Vesting Conditions	<p>Vesting Conditions may be determined by the Board as part of each Invitation. Performance Rights will vest based on selected measures of Company performance and service with the Company. They are intended to create alignment with indicators of shareholder value creation over the Measurement Period.</p> <p>Service Rights will vest solely based on periods of service with the Company and will generally relate to annual remuneration cycles when granted as part of fixed remuneration.</p> <p>Restricted Rights do not have Vesting Conditions and are fully vested at grant.</p>
Gates	The Board may attach Gates to tranches of Performance Rights. A Gate is a condition that, if not fulfilled, will result in nil vesting of a tranche irrespective of performance in relation to the Vesting Conditions.
Exercise Restrictions	<p>An Invitation may specify a period of Exercise Restrictions during which Rights may not be exercised, even if vested.</p> <p>For Restricted Rights which are fully vested at grant, Exercise Restrictions apply for at least 90 days following grant.</p>
Disposal Restrictions	<p>Rights may not be sold, transferred, mortgaged, charged or otherwise dealt with or encumbered, except by force of law.</p> <p>Shares acquired from the exercise of vested Rights will be subject to disposal restrictions due to:</p> <p>(a) The Company's securities trading policy, and</p> <p>(b) The insider trading provisions of the Corporations Act.</p> <p>Shares resulting from the exercising of Rights that may not be traded due to the foregoing or because of Specified Disposal Restrictions included in an Invitation will be Restricted Shares while they are so restricted. Verbrec will ensure that such restrictions are enforced due to the presence of CHES holding locks or alternatively by any trustee that may be appointed in connection with the Plan.</p>
Exercise of Vested Rights	<p>Vested Rights may be exercised at any time between the Vesting Date (or the latter elapsing of Exercise Restrictions, if applicable) and the end of their Term, by the Participant submitting an Exercise Notice, otherwise they will lapse. The Exercised Rights Value will be determined as follows and will be either be paid in cash, converted into Shares based on the then Share price, or a combination of cash and Shares, as determined by the Board (depending on the terms of the Invitation):</p> <p><b>Exercised Rights Value = Number of Rights Exercised x (Share Price at Exercise – Exercise Price)</b></p> <p>Generally, it is expected that vested Rights will be settled in Shares. Such Shares may be Restricted Shares as they will be subject to disposal restrictions if the exercise occurs during a period in which trading in Shares is prohibited under the Company's securities trading policy.</p>

ASPECT	DETAILS
Disposal and Exercise Restriction Release at Taxing Point	In the event that a taxing point arises in relation to Restricted Rights or Restricted Shares and the Exercise Restrictions or Specified Disposal Restrictions have not elapsed then they will cease to apply to 50% of the taxable Rights and Shares. This ensures that unreasonable tax outcomes are avoided.
Termination of Employment	<p>Generally, employment is a pre-requisite for a Participant's Performance Rights to vest.</p> <p>Performance Rights (including Performance Share Appreciation Rights) will be forfeited by the Participant in full if not employed at the time of testing the Vesting Criteria.</p> <p>Service Rights (including Service Share Appreciation Rights) will be dealt with as specified in the relevant Invitation as appropriate to the circumstances of the granting of Service Rights and applicable Measurement Periods. Generally pro-rata vesting for the period of service completed will apply.</p> <p>Vested Rights held after a Participant's termination of office or employment with the Group will be automatically exercised 90 days after the date on which the Participant ceases to hold any unvested Rights and all Exercise Restrictions have elapsed.</p> <p>If Rights are exercised after the termination of employment and the Share price is lower at the date of exercise than on the date of termination, then the Exercised Rights Value will be settled in cash unless otherwise determined by the Board, in order to ensure an appropriate taxation outcome for the Participant.</p> <p>It should be noted that the Plan contains clauses that address fraud, misconduct, inappropriate benefits and clawback which will result in the forfeiture of unvested and unexercised rights equivalent to traditional "Bad Leaver" approaches, but which may apply at any time including during employment.</p> <p>Board may, at its discretion determine differing or contrary conditions within the Invitation if it deems it appropriate in the circumstances having considered relevant factors.</p>
Delisting	<p>In the event the Board determines that the Company will be subject to a de-listing, the Vesting Conditions specified in an Invitation for Performance Rights will cease to apply and:</p> <p>(a) Rights with an Exercise Price greater than nil (Share Appreciation Rights) will vest 100% unless otherwise determined by the Board,</p> <p>(b) Unvested Performance Rights in each tranche will vest in accordance with the following formula:</p> $\text{Number of Performance Rights to Vest} = \text{Unvested Performance Rights} \times \text{\% of First Year of Measurement Period Elapsed} \times \frac{(\text{Share Price at the Effective Date} - \text{Share price at Measurement Period Commencement})}{\text{Share price at Measurement Period Commencement}}$ <p>(c) Remaining Performance Rights may vest or lapse as determined by the Board,</p> <p>(d) Service Rights will vest to the extent determined to be appropriate by the Board under the circumstances applicable to each grant of Service Rights, and</p> <p>(e) Exercise Restrictions and Specified Disposal Restrictions will cease to apply on the date determined by the Board.</p>
Major Return of Capital or Demerger	<p>In the event that the Board forms the view that a major part of the Company's assets or operations will imminently cease to be owned by the Group due to an intention to sell or separately list those assets or operations, or in the event of a major return of capital to Shareholders, the Board has discretion to vest, lapse or adjust the terms of Rights such that Participants are neither advantaged nor disadvantaged by the corporate action.</p> <p>Restricted Rights will cease to be subject to Exercise Restrictions and Specified Disposal Restrictions prior to the return of capital or demerger, on the date determined by the Board.</p>

ASPECT	DETAILS
Board Discretion and Preventing Inappropriate Benefits	<p>The Board has discretion to adjust the number of Rights that ultimately vest if it forms the view that the unadjusted outcome is not appropriate to the circumstances that prevailed over the Measurement Period and/or to the contribution of a Participant to outcomes over the Measurement Period.</p> <p>The Board has sole discretion to determine that some or all unexercised Rights held by a Participant lapse on a specified date, if allowing the Rights to be retained would, in the opinion of the Board, result in an inappropriate benefit to the Participant. Such circumstances include joining a competitor or actions that harm the Company's stakeholders.</p> <p>In the case of fraud or misconduct, Participant will forfeit all unvested Rights.</p>
Bonus Issues, Rights Issues, Voting and Dividend Entitlements	<p>The number of Rights held by Participants will be proportionately adjusted to reflect bonus issues and/or the Exercise Price adjusted so that no advantage or disadvantage arises for the Participant. Right holders will not participate in Shareholder rights issues but may, subject to the ASX Listing Rules, be offered options on similar terms to the rights issue.</p> <p>Rights do not carry voting or dividend entitlements. Shares (including Restricted Shares) issued when Rights are exercised carry all entitlements of Shares, including voting and dividend entitlements.</p>
Quotation	Rights will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Plan, in accordance with the ASX Listing Rules.
Issue or Acquisition of Shares	Shares allocated to a Participant when Rights are exercised under the Plan may be issued by the Company or acquired on or off market by a trustee whose purpose is to facilitate the operation of the plan.
Cost and Administration	The Company will pay all costs of issuing and acquiring Shares for the purposes of satisfying exercised Rights, as well as any brokerage on acquisitions of Shares for this purpose and all costs of administering the Plan.
Hedging	The Company prohibits the hedging of Rights or Shares subject to disposal restrictions by specified Participants.

The Board proposes that the following key features will be included in the Performance Rights Invitations to CEO.

For the avoidance of doubt, Mr Mark Read, the Company's Chief Executive Officer is not a Director of the Company and shareholder approval to issue performance rights is not required under Listing Rule 10.14.1.

Other Participant Invitations will be provided under similar terms, with the number of Performance Rights to be issued to each Participant being determined by Board consistent with the terms of the relevant employment contract (as applicable), market norms and the goals of the business at the time of issue.

This explanation of CEO Performance Rights is indicative only and nothing in this section prevents Board from issuing Rights under the Plan as deemed appropriate and required throughout the three (3) year period sought to be approved by Shareholders under this Notice.

### Proposed CEO Performance Rights Invitation Particulars

ASPECT	DETAILS
Type	Performance Rights
Participant	CEO

ASPECT	DETAILS																				
Number & Value of Rights	<p>In normal circumstances a Tranche of invested performance rights will be issued to Participants in three (3) year blocks at the commencement of the period which will be subject to annual vesting tests.</p> <p>For those participants (including CEO) who will be invited to participate within 30 business days after the Meeting, the value of the Rights, ignoring vesting conditions, is equal to the share price when a Black-Scholes Option Pricing Model is applied to the Rights. For the purposes of calculating the number of Rights to be granted, the share price was calculated as the volume weighted average share price in FY2023. This value was \$0.1228.</p> <p>Under contract of employment, CEO is entitled to Performance Rights issued up to 70% of Total Fixed Remuneration (TFR).</p> <p>Thus, for the three (3) year measurement period:</p> $70\%TFR = \$454,500 \times 0.7 = \$318,150$ $FY23VWAP = \$0.1228$ $3 \text{ (years)} \times \left( \frac{70\%TFR}{FY23VWAP} \right) = 7,772,394 \text{ Performance Rights}$																				
Measurement Period	<p>Commencement: 1 July 2023</p> <p>Ending: 30 June 2028</p>																				
Dates for Vesting Criteria Testing	<p>The Performance Rights will typically be tested for vesting annually within 30 Business Days after the publication of Verbrec's full year financial reports, for the financial years ending:</p> <ul style="list-style-type: none"> <li>- 30 June 2024</li> <li>- 30 June 2025</li> <li>- 30 June 2026</li> <li>- 30 June 2027</li> <li>- 30 June 2028</li> </ul>																				
Vesting Criteria	<table border="1"> <thead> <tr> <th>Criteria Name</th> <th>Weighting</th> </tr> </thead> <tbody> <tr> <td>Distribute Dividend to Shareholders</td> <td>20%</td> </tr> <tr> <td>Earnings Per Share (EPS) Growth Target – Base</td> <td>10%</td> </tr> <tr> <td>Earnings Per Share (EPS) Growth Target – Stretch</td> <td>15%</td> </tr> <tr> <td>Total Shareholder Return (TSR) Growth Target – Base</td> <td>10%</td> </tr> <tr> <td>Total Shareholder Return (TSR) Growth Target – Stretch</td> <td>15%</td> </tr> <tr> <td>Balance Sheet Improvements</td> <td>10%</td> </tr> <tr> <td>Revenue Growth Target - Base</td> <td>5%</td> </tr> <tr> <td>Revenue Growth Target - Stretch</td> <td>5%</td> </tr> <tr> <td>Revenue Sector Target (Renewables)</td> <td>10%</td> </tr> </tbody> </table> <p>The particulars associated with each target will be selected by Board as achievable targets within the Measurement Period.</p>	Criteria Name	Weighting	Distribute Dividend to Shareholders	20%	Earnings Per Share (EPS) Growth Target – Base	10%	Earnings Per Share (EPS) Growth Target – Stretch	15%	Total Shareholder Return (TSR) Growth Target – Base	10%	Total Shareholder Return (TSR) Growth Target – Stretch	15%	Balance Sheet Improvements	10%	Revenue Growth Target - Base	5%	Revenue Growth Target - Stretch	5%	Revenue Sector Target (Renewables)	10%
Criteria Name	Weighting																				
Distribute Dividend to Shareholders	20%																				
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Revenue Growth Target - Base	5%																				
Revenue Growth Target - Stretch	5%																				
Revenue Sector Target (Renewables)	10%																				

ASPECT	DETAILS
	<p>The column titled 'Weighting' means the proportion of the Performance Rights that will vest upon successful achievement of the Vesting Criteria, tested at each Date for Vesting Criteria Testing.</p> <p>The intent of the targets is that generally, they will be achievable by the Company throughout the Measurement Period and distributed relatively equally throughout the period.</p> <p>The structure of the plan, and the annual testing regime, allows Board to adequately incentivise accelerated performance against the Vesting Criteria which would result in commensurate acceleration of the Vesting of the Performance Rights.</p>

### **Voting exclusion statement**

The Company will disregard votes cast as proxy by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act. The Company will also disregard votes cast by or on behalf of a related party of the Company to whom the resolution would permit a financial benefit to be given or an associate of such a related party in contravention of section 224 Corporations Act.

In accordance with the Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution by or on behalf of a person who is eligible to participate in the employee incentive scheme or an associate of that person. However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - o 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
  - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Director's recommendation**

The Directors abstain, in the interest of good corporate governance, from making a recommendation in relation to this resolution.



## Resolution 4: Placement Capacity Increase

Listing Rule 7.1A enables an eligible entity to use Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**Additional Placement Capacity**). The Additional Placement Capacity is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company fits this criteria, and thus is an eligible entity.

The Company seeks Shareholder approval by way of a special resolution to have the ability to issue Equity Securities using the Additional Placement Capacity.

The exact number of Equity Securities to be issued using the Additional Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (explained below).

### Explanation of Listing Rule 7.1A

#### Shareholder Approval

The ability to issue Equity Securities using the Additional Placement Capacity is subject to shareholder approval by way of a special resolution at an annual general meeting.

#### Equity Securities

Any Equity Securities issued using the Additional Placement Capacity must be in the same class as an existing quoted class of Equity Securities of the Company.

#### Formula for calculating Additional Placement Capacity

Listing Rule 7.1.A.2 provides that an eligible entity that has obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

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

- A** is the number of fully paid ordinary shares on issue 12 months before the date of issue or agreement:
- plus the number of fully paid ordinary shares issued in the 12 months under an exception in Listing Rule 7.2;
  - plus the number of partly paid ordinary shares that became fully paid in the 12 months;
  - plus the number of fully paid ordinary shares issued in the 12 months with approval of the holders of ordinary shares under Listing Rule 7.1 or Listing Rule 7.4. (This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval);
  - less the number of fully paid ordinary shares cancelled in the 12 months
- D** is 10%
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1.A.2 in the 12 months before the date of the issue of agreement to issue that are not issued with the approval of holders of ordinary shares under Listing Rule 7.1 or Listing Rule 7.4.

## **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be no less than 75% of the VWAMP for Equity Securities in the same class calculated over 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within five Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

## **Placement Period**

Shareholder approval of the Additional Placement Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) The time and date of the entity's next annual general meeting; or
- (c) the date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

## **(Placement Period)**

## **Effect of Listing Rule 7.1A**

The effect of this Resolution 4 (if passed) will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

## **Disclosure of regulatory information**

In accordance with Listing Rule 7.3A, information is provided in relation to the approval of the Additional Placement Capacity as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAMP for the Company's Equity Securities in the same class calculated over 15 Trading Days on which trades in that class were recorded immediately before:
  - i. the date on which the price at which the Equity Securities are to be issued is agreed; or
  - ii. if the Equity Securities are not issued within five trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities using the Additional Placement Capacity, the existing Shareholders' voting power in the Company will be diluted as shown in the table below. There is a risk that:
  - i. the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and

- ii. the Equity Securities may be issued at a price that is at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

- (c) The below table shows the potential dilution of existing holder of Shares on the basis of the current market price of Shares and the current number of Shares for variable 'A' calculated in accordance with the formula in Listing Rule 7.1.A.2 as at the date of this Notice of Meeting.

The table also shows:

- i. two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of ordinary Shares the Company has on issue. The number of ordinary shares on issue may increase as a result of issues of ordinary Shares that do not require Shareholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- ii. two examples of where the issue price of ordinary Shares has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.0600 50% Decrease in issue Price	\$0.1200 Issue Price	\$0.2400 100% Increase in Issue Price
<b>Current variable "A"</b>  221,476,170	10% voting dilution	22,147,617	22,147,617	22,147,617
	Funds raised	\$1,328,857.02	\$2,657,714.04	\$5,315,428.08
<b>50% increase in current variable "A"</b>  332,214,255	10% voting dilution	33,221,426	33,221,426	33,221,426
	Funds raised	\$1,993,285.53	\$3,986,571.06	\$7,973,142.12
<b>100% increase in current variable "A"</b>  442,952,340	10% voting dilution	44,295,234	44,295,234	44,295,234
	Funds raised	\$2,657,714.04	\$5,315,428.08	\$10,630,856.16

The table has been prepared on the following assumptions:

- The issue price is \$0.12, being the closing price of the Shares on ASX on 31 August 2023. This price is indicative only and does not take account of the 25% discount to market that Equity Securities may be issued at under Listing Rule 7.1A.

- The Company issues a maximum of 10% of the Company's Shares on issue at the date of the Meeting. As at 31 August 2023, the Company has 221,476,170 Shares on issue.
  - No options or other rights convertible into Shares are exercised into Shares before the date of the issue of the Equity Securities.
  - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
  - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placement using the Additional Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
  - The table shows only the effect of the issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - The issue of the Equity Securities using the Additional Placement Capacity consists only of Shares. It does not show the effect of options or other rights convertible into Shares being issued under Listing Rule 7.1A.
- (d) The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 4 for the issue of Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (e) Consistent with Listing Rule 7.1A.3, the Company may seek to issue the Equity Securities under rule 7.1A.2 in an existing class of the Company's equity securities for cash considerations which is not less than 75% of the volume weighted average market price for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:
- i. the date on which the price at which the securities are to be issued is agreed by the Company and the recipients of the securities; or
  - ii. if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and Listing Rule 3.10.5A upon issue of any Equity Securities.

- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the Additional Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including:
- i. The methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - ii. The effect of the issue of the Equity Securities on the control of the Company;
  - iii. The financial situation and solvency of the Company; and
  - iv. Advice from corporate, financial and broking advisers (if applicable).

The potential allottees when utilising the Additional Placement Capacity have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees when utilising the Additional Placement Capacity will be the vendors of the new assets or investments.

- (g) Consistent with the requirements of Listing Rule 14.1A, the Company advises that if holders of ordinary securities do not approve this resolution, the Company may be required to:
- i. Adhere to the Company's placement capacity limit of 15% under Listing Rule 7.1;
  - ii. Rely on an exception to Listing Rule 7.1 in accordance with Listing Rule 7.2 to capital raise above the 15% placement capacity under Listing Rule 7.1; and / or
  - iii. Utilise alternative means to raise capital, including taking on loans or other traditional debt facilities not governed by Listing Rule 7.1.
- (h) The Company did not seek a resolution be approved by Shareholders for Additional Placement Capacity under Listing Rule 7.1A at the 2022 AGM. Accordingly, the Company did not issue or agree to issue any equity securities under rule 7.1A.2 in the 12 months prior to the date of this meeting and thus no disclosure is required in relation Listing Rule 7.3A.6.

### **Special Resolution**

Resolution 4 is a special resolution and so requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney, or in the case of a corporate Shareholder, by a corporate representative).

### **Director's recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 4.

## Glossary

In this Explanatory Statement, the following terms have the following meaning:

Definitions	
TERM	DEFINITION
<b>Annual General Meeting or Meeting</b>	Annual general meeting of Shareholders of the Company or any adjournment of it, convened by the Notice.
<b>ASIC</b>	Australian Securities & Investments Commission.
<b>Associates</b>	Has the same meaning as in the Listing Rules.
<b>ASX</b>	ASX Limited ACN 008 624 691, trading as the Australian Securities Exchange
<b>Board or Verbrec Board</b>	Board of Directors of the Company.
<b>Chairperson</b>	The Chairperson of the Board.
<b>Closely Related Party</b>	Has the same meaning as in the Corporations Act.
<b>Company or Verbrec</b>	Verbrec Limited ACN 127 897 689.
<b>Constitution</b>	Means the Constitution of the Company, as amended from time to time.
<b>Corporations Act</b>	Corporations Act 2001 (Cth).
<b>Director</b>	A Director of the Company.
<b>Explanatory Memorandum</b>	Means the Explanatory Memorandum set out in the body of this document.
<b>Group</b>	The Company and its subsidiaries
<b>Key Management Personnel or KMP</b>	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) of the Company.
<b>Listing Rules</b>	The Listing Rules of ASX.
<b>Non-Executive Director</b>	A Director who is not an employee of the Company.
<b>Notice and Notice of Annual General Meeting</b>	The Notice of Annual General Meeting, which accompanies this Explanatory Statement.
<b>Placement Shares</b>	The Shares that are the subject of approval under Resolution 4.
<b>Proxy Form</b>	The proxy form accompanying the Notice.
<b>Resolution</b>	A resolution set out in the Notice.
<b>Share</b>	A fully paid ordinary share in the issued capital of the Company and Shares means any two or more of them.
<b>Shareholder</b>	A registered holder of a Share.



Verbrec Limited  
ABN 90 127 897 689

VBC

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



## Need assistance?



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



**Online:**  
[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **1:00PM AEST (Brisbane time) Monday, 27 November 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](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://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.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark  to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Verbrec Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Verbrec Limited to be held at Mezzanine Floor, 200 Mary Street, Brisbane, QLD, 4000 and virtually via <https://meetnow.global/MZ24WQZ> on Wednesday, 29 November 2023 at 1:00PM AEST (Brisbane time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 3 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 3 by marking the appropriate box in step 2.

### Step 2 Items of Business

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

#### Ordinary Business

Resolution 1 Adoption of Remuneration Report

For	Against	Abstain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolution 2 Re-election of Mr Matthew Morgan as a Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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#### Special Business

Resolution 3 Approval of the Verbrec Limited Rights Plan

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Resolution 4 Increase of Placement Capacity

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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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 Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

VBC

3 0 2 4 1 7 A



Computershare







**Verbrec Limited (ASX : VBC)**

**Level 14, 200 Mary Street**

**Brisbane QLD 4000**

**[verbrec.com](http://verbrec.com)**