



**Verdant Earth Technologies Limited  
Notice of General Meeting**

**10am on Monday 15 November 2021**



## Notice of General Meeting

15 November 2021

Dear Shareholder,

Verdant Earth Technologies Limited will hold its Annual General Meeting (AGM) of shareholders on 15 November 2021 at 10am.

Having regard to possible social distancing requirements in New South Wales and in the interests of the health and safety of our shareholders and staff, the Board has decided that the meeting will be held virtually. Shareholders will not be able to attend physically but will instead be able to view and participate in the virtual meeting online. This approach is in line with temporary modifications to the law and current regulatory guidance.

A copy of this notice has been emailed to shareholders and is also available on the Company's web site.

Shareholders are encouraged to vote by lodging a proxy form which is attached to his notice. Please return to the Company per the instructions no later than 48 hours prior to the meeting.

You will be able to watch and participate in the meeting in real-time on your computer or mobile device via Zoom. Further information on how you can participate in the General Meeting (including how to register, vote and ask questions) is set out on the following pages. Registration can be made by following the link:

[https://us06web.zoom.us/webinar/register/WN\\_L\\_Ix2smIQ6SGPmFENf8mtw](https://us06web.zoom.us/webinar/register/WN_L_Ix2smIQ6SGPmFENf8mtw)

The Board supports all resolutions.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'W. Kember', written over a light blue horizontal line.

Warren Kember  
Company Secretary

**Notice of General Meeting**  
15 November 2021



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**VERDANT EARTH TECHNOLOGIES LIMITED**

ACN 624 824 791

**NOTICE OF GENERAL MEETING**

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Notice is given that Verdant Earth Technologies Limited will hold a General Meeting of its shareholders on 15 November 2021 as a virtual meeting for the purpose of transacting the business set out in this notice of meeting. The Meeting will be held as follows:

**TIME:** 10am (AEST)

**DATE:** 15 November 2021

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

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 9 November 2021 at 5pm (AEST).***

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## BUSINESS OF THE MEETING

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### AGENDA

Business of the meeting

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#### 1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

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#### 2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – JAMES MYATT

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

*“That, for the purpose of clauses 14.2 of the Constitution and for all other purposes, James Myatt, a Director, retires by rotation, and being eligible, is re-elected as a Director.”*

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#### 3. RESOLUTION 2 – CONSOLIDATION OF SHARE CAPITAL

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

*“That, pursuant to Section 254H of the Corporations Act 2001 (Cath) and for all other purposes:*

- the issued capital of the Company be consolidated on a basis to be determined by the Board to comply with the listing requirements of a recognised stock exchange; and*
- where the number of Shares held by a Shareholder of the Company as a result of the consolidation effected of this Resolution includes a fraction of a Share the Company be authorised to round that fraction up to the nearest whole number.”*

**Dated: 21 October 2021**

**By order of the Board**



**Warren Kember, Company Secretary**

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## **INSTRUCTIONS**

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### **If you are voting by proxy**

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To vote by proxy prior to the Meeting, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

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

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

Shareholders and their proxies should be aware that:

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

### **How to participate in the General Meeting**

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The General Meeting will be held via an online, virtual platform. Shareholders and proxyholders can watch, vote, make comments and ask questions during the virtual General Meeting by registering via the link provided in an accompanying email. Registration can be done at any time prior to the Meeting by following the link.

[https://us06web.zoom.us/webinar/register/WN\\_L\\_ix2smlQ6SGPmFENf8mtw](https://us06web.zoom.us/webinar/register/WN_L_ix2smlQ6SGPmFENf8mtw)

## Verdant Earth Technologies Limited AGM Registration



This webinar is for users with a Zoom account. New to Zoom? [Sign up free.](#)

Topic Verdant Earth Technologies Limited Annual General Meeting

Time Nov 15, 2021 10:00 AM in [Canberra](#), [Melbourne](#), [Sydney](#)

\* Required information

First Name \*

Last Name \*

Email Address \*

Confirm Email Address \*

Information you provide when registering will be shared with the [account owner](#) and host and can be used and shared by them in accordance with their Terms and Privacy Policy.

Register

Once registered a separate email will confirm the details of the link and password to join the Meeting.

When the Meeting commences all attendees will have their audio muted while the Meeting is conducted. Shareholders will be able to ask questions at appropriate times (refer below).

### How to vote at the General Meeting

You may still attend the online Meeting and vote even if you have lodged a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the virtual meeting, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Voting at the Meeting will be conducted via a poll. Upon putting a resolution to the Meeting, a questionnaire box will be displayed on the screen for Shareholders to cast their votes (Shareholders can select "For", "Against" or "Abstain"), as shown in the example below.

## Resolution 1 - Re-election of Director - Mr James Myatt

Poll | 1 question

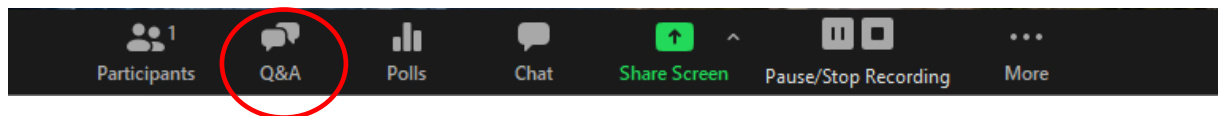
1. "That, for the purpose of clauses 14.2 of the Constitution and for all other purposes, James Myatt, a Director, retires by rotation, and being eligible, is re-elected as a Director." (Single Choice) \*

- For
- Against
- Abstain

The results of each poll will be displayed upon conclusion of voting.

### How to ask questions

At appropriate points in the Meeting questions on the resolutions will be invited from attendees. We will endeavour to answer as many of the questions raised as possible during the meeting. To ask a question click on "Q&A" in the tool bar at the bottom of the screen and type your question into the chat area.



***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary at [communications@verdantearth.com.au](mailto:communications@verdantearth.com.au).***

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## **EXPLANATORY STATEMENT**

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This Explanatory Statement has been prepared to provide information which the Directors of the Company believe to be material to shareholders in deciding whether to pass the Resolutions.

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### **1. FINANCIAL STATEMENTS AND REPORTS**

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on the Company's web site.

There is no requirement for shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the operations and management of the Company. Shareholders will be given a reasonable opportunity 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 the Financial Statements and the independence of the auditor in relation to the conduct of the audit.

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### **2. RESOLUTION 1 – RE-ELECTION OF DIRECTOR – MR JAMES MYATT**

Clause 14.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election pursuant to clause 14.3 of the Constitution.

The Company currently has three Directors, two Directors excluding the Managing Director, and accordingly one must retire. Mr James Myatt retires by rotation and seeks re-election in accordance with Resolution 1

James has been a Director since 2018 and has over 35 years of experience in the Australian and international energy markets including asset development in power and gas as well as wholesale and retail markets. James began his career with major energy utilities including AGL, Energy Australia and U.S. listed energy companies Duke Energy and Texas Utilities. James then went on to lead the development of several companies in the retail energy sector in Australia and the United States. He was co-founder, Chief Executive Officer and Managing Director



of the ASX listed company Australian Power and Gas Limited from July 2006 to September 2013, co-founder and Chief Executive Officer of Mojo Power from January 2015 to July 2017, and co-founder of Entrust Energy (based in Texas, USA), which was awarded as the 47<sup>th</sup> fastest growing company in the United States in 2015 with revenue more than A\$500 million. As recognition for his entrepreneurial achievements, James was awarded Ernst & Young's Australian Entrepreneur of the Year (Listed award) for the Eastern region (NSW & ACT) in 2012. James holds an Associate Diploma of Applied Science from OHS and a Master of Marketing from Monash University.

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### **3. RESOLUTION 2 – CONSOLIDATION OF CAPITAL**

#### **3.1 Background**

Resolution 2 seeks to refresh Shareholder approval for the Company to consolidate its issued capital. Pursuant to Section 254H(1) of the Corporations Act 2001 (Cth) the Company may convert all or any of its shares into a larger or smaller number of shares by ordinary resolution passed at a general meeting.

Shareholders previously pass a similar resolution at the General Meeting of Shareholders on 1 June 2021. In view of the passage of time the Board proposes that Shareholders refresh the approval based on the latest information provided below.

#### **3.2 Purpose of Proposed Resolution**

The Company is preparing for an initial public offering of its Shares and is considering an application to list on recognised stock exchange, including listing as a foreign entity on a securities exchange in the United States. Depending on several factors, including a valuation of the Company and specific listing rule requirements, a consolidation of the Company's securities may be required in order to meet a minimum share price target set by the relevant exchange.

At the time of preparation of this Notice of Meeting, the exact requirement for the consolidation was not known with certainty and, to expedite the process of approval by Shareholders, Resolution 2 is being put to Shareholders in a manner that allows the Board the flexibility to determine the consolidation ratio that best fits the circumstances as they exist at the time of lodgement of listing application documents.

#### **3.3 Legal requirements**

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

### **3.4 Fractional entitlements**

Not all Security Holders will hold a number of Shares which can be evenly divided by the Consolidation Ratio determined by the Board. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

### **3.5 Taxation**

It is not considered that any taxation implications will exist for Shareholders arising from the Consolidation. However, Shareholders are advised to seek their own tax advice on the effect of the Consolidation, and the Company does not accept any responsibility for the individual taxation implications arising from the Consolidation.

### **3.6 Holding statements**

From the date of the Consolidation, all holding statements for Securities will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Securities to be issued to holders of those Securities.

It is the responsibility of each Security Holder to check the number of Securities held prior to disposal or exercise (as the case may be).

### **3.7 Effect of the Consolidation**

#### **(a) Effect on Capital Structure**

The effect which the Consolidation will have on the Company's capital structure, if it proceeds, is set out in Table 1 below. If any of the Securities on issue changes prior to the Meeting, then the number of Securities post Consolidation will be proportionately affected.



**Table 1:  
Effect of Number of Securities for a Range of Potential Consolidation Ratios**

	Example Consolidation Ratio	Securities on issue			
		Shares	Performance shares	Options	Convertible Notes
<b>Pre-Consolidation Securities</b>					
On issue	na	320,356,158	10,000,000	67,073,438	21,555,555*
<b>Post Consolidation Securities</b>					
Alternative 1	2	160,178,079	5,000,000	33,536,719	10,777,778
Alternative 2	10	32,035,616	1,000,000	6,707,344	2,155,556
Alternative 3	15	21,357,077	666,667	4,471,563	1,437,037
Alternative 4	20	16,017,808	500,000	3,353,672	1,077,778
Alternative 5	30	10,678,539	333,333	2,235,781	718,519
Alternative 6	40	8,008,904	250,000	1,676,836	538,889
Alternative 7	50	6,407,123	200,000	1,341,469	431,111

\* Represents the number of ordinary shares on issue if all convertible notes are converted pre-consolidation at 18 cents each

## **(b) Shares**

As of the date of this Notice of Meeting the Company has 320,356,158 Shares on issue. If Resolution 2 is approved by Shareholders, and the Board determines to proceed with the Consolidation, then the number of Shares on issue will be reduced to a smaller number of Shares by applying an appropriate Consolidation Ratio. The expected number of Shares is shown in Table 1 above for a range of possible Consolidation Ratios. The actual Consolidation Ratio to be used, if the Board determines to proceed with the Consolidation, could be greater or less than those selected for the purposes of Table 1.

As the Consolidation applies equally to all Shareholders, individual holdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, assuming no other movements or impacts occur, the Consolidation will not have affected the percentage interest in the Company of each Shareholder.

The Consolidation will not result in any other change to the substantive rights and obligations of existing Shareholders.

**(c) Performance Shares**

As of the date of this Notice of Meeting the Company has 10,000,000 Performance Rights on issue. If Resolution 2 is approved by Shareholders, and the Board determines to proceed with the Consolidation, then the number of Performance Shares on issue will be reduced to a smaller number of Performance Shares by applying an appropriate Consolidation Ratio. The expected number of Performance Shares is shown in Table 1 above for a range of possible Consolidation Ratios. The actual Consolidation Ratio to be used, if the Board determines to proceed with the Consolidation, could be greater or less than those selected for the purposes of Table 1.

As the Consolidation applies equally to all Shareholders, including those subject to performance conditions, individual holdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Accordingly, assuming no other movements or impacts occur, the Consolidation will not have affected the percentage interest in the Company of each Shareholder.

The Consolidation of the Performance Shares will be conducted in accordance with the applicable terms and conditions. The Consolidation will not result in any change to the substantive rights and obligations of existing Performance Share Holders.

**(d) Options**

As of the date of this Notice of Meeting the Company has 67,073,438 Options on issue. If Resolution 2 is approved by Shareholders, and the Board determines to proceed with the Consolidation, then the number of Options on issue will be reduced to a smaller number of Options by applying the appropriate Consolidation Ratio. The expected number of Options following the Consolidation is shown in Table 1 above for a range of possible Consolidation Ratios.

The Consolidation of the Options will be conducted in accordance with the terms and conditions of the Options. The exercise price will be amended in the inverse proportion to the Consolidation Ratio.

For example, if a Consolidation proceeds applying a Consolidation Ratio of 15, a holding of one hundred thousand (100,000) Options with an exercise price of 1 cent each prior to the Consolidation, would be consolidated into a holding of six thousand six hundred and sixty-seven (6,667) Options with an exercise price of 15 cents each after the Consolidation.

As of the date of this Notice of meeting, the Company currently has on issue the Options as set out in Table 2 below.

**Table 2:  
Number and Terms of Options on Issue**

	Options on issue					Total
	1/12/2025	31/03/2025	30/04/2023	31/07/2024	1/12/2025	
Exercise on or before	1/12/2025	31/03/2025	30/04/2023	31/07/2024	1/12/2025	
Exercise price	\$0.075	\$0.200	\$0.300	\$0.300	\$0.200	
On issue	22,000,000	26,809,500	2,000,000	7,363,938	8,900,000	67,073,438

The effect which the Consolidation will have on the Company's Options, if the Board determines to proceed, is set out in Table 3 below. If the number of Options on issue changes prior to the Meeting, then the number of Options post Consolidation will be proportionately affected.

**Table 3:  
Effect on Number and Terms of Options on Issue  
of Potential Consolidation Ratios**

	Consolidation Ratio	Options on issue					Total
		1/12/2025	31/03/2025	30/04/2023	31/07/2024	1/12/2025	
Exercise date - on or before		1/12/2025	31/03/2025	30/04/2023	31/07/2024	1/12/2025	
<b>Alternative 1</b>							
On issue post Consolidation	2	11,000,000	13,404,750	1,000,000	3,681,969	4,450,000	33,536,719
Exercise price post Consolidation		\$0.150	\$0.400	\$0.600	\$0.600	\$0.400	
<b>Alternative 2</b>							
On issue post Consolidation	10	2,200,000	2,680,950	200,000	736,394	890,000	6,707,344
Exercise price post Consolidation		\$0.750	\$2.000	\$3.000	\$3.000	\$2.000	
<b>Alternative 3</b>							
On issue post Consolidation	15	1,466,667	1,787,300	133,333	490,929	593,333	4,471,563
Exercise price post Consolidation		\$1.125	\$3.000	\$4.500	\$4.500	\$3.000	
<b>Alternative 4</b>							
On issue post Consolidation	20	1,100,000	1,340,475	100,000	368,197	445,000	3,353,672
Exercise price post Consolidation		\$1.500	\$4.000	\$6.000	\$6.000	\$4.000	
<b>Alternative 5</b>							
On issue post Consolidation	30	733,333	893,650	66,667	245,465	296,667	2,235,781
Exercise price post Consolidation		\$2.250	\$6.000	\$9.000	\$9.000	\$6.000	
<b>Alternative 6</b>							
On issue post Consolidation	40	550,000	670,238	50,000	184,098	222,500	1,676,836
Exercise price post Consolidation		\$3.000	\$8.000	\$12.000	\$12.000	\$8.000	
<b>Alternative 7</b>							
On issue post Consolidation	50	440,000	536,190	40,000	147,279	178,000	1,341,469
Exercise price post Consolidation		\$3.750	\$10.000	\$15.000	\$15.000	\$10.000	

### 3.8 Effective date

If Resolutions 2 is passed, the date on which the Consolidation will become effective is no later than 5.00pm (EST) on 31 January 2021 (**Effective Date**).

### **3.9 Board recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2. The Chair of the Meeting intends to vote all available proxies in favour of this resolution.

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### 3. GLOSSARY

**\$** means Australian dollars.

**AEST** means Australian Eastern Standard Time as observed in Sydney, New South Wales.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange.

**Board** means the current board of directors of the Company.

**Chair** means the chair of the Meeting.

**Company** means Verdant Earth Technologies Limited (ACN 624 824 791).

**Consolidation** means the consolidation for which Shareholder approval is sought under Resolution 2.

**Consolidation Ratio** means that number to be divided into the number of Securities to arrive a post consolidation number of Securities.

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

**Directors** means the current directors of the Company.

**Exchange** means the securities exchange upon which the Company's securities are listed.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Option** means the right of a holder to convert each option into one (1) Share in the capital of the Company.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Performance Share** means an entitlement to a fully paid Share in the capital of the Company held subject to the achievement of performance conditions.

**Performance Shareholder** means a registered holder of Performance Shares.

**Proxy Form** means the proxy form accompanying the Notice.

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

**Section** means a section of the Explanatory Statement.

**Securities** mean the Shares, Performance Shares and Options of the Company.

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

**Shareholder** means a registered holder of a Share.