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**THE ENVIRONMENTAL GROUP LIMITED**  
**ACN 000 013 427**  
**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is given that the Meeting will be held at:

**TIME:** 11.00am (AEDT)  
**DATE:** Thursday 24 November 2022  
**PLACE:** Quest Hotel, 5 Acacia Place, Notting Hill, VIC, 3168

*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 7.00pm (AEDT) on 22 November 2022.*

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## BUSINESS OF THE MEETING

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### AGENDA

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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 2022, together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

#### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

*“That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Report for the financial year ended 30 June 2022.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

#### 3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – TEIK LEONG SIAH (ADRIAN SIAH)

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

*“That Teik Leong Siah (Adrian Siah), a Director who retires by rotation in accordance with clause 14.2 of the Company's Constitution and ASX Listing Rule 14.5, and being eligible, offers himself for re-election as a Director of the Company, effective immediately.”*

#### 4. RESOLUTION 3 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

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

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of equity securities of up to 10% of the total issued share capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 over a 12 month period and on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

#### 5. RESOLUTION 4 – RATIFICATION OF ISSUE OF ORDINARY SHARES PURSUANT TO ASX LISTING RULE 7.4

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

*“That in accordance with ASX Listing Rule 7.4, the Company ratifies and approves for the purposes of ASX Listing Rule 7.1, the issue of 27,142,857 Fully Paid Ordinary Shares in the capital of the Company, details of which are set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

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**6. RESOLUTION 5 – RATIFICATION OF ISSUE OF ORDINARY SHARES PURSUANT TO ASX LISTING RULE 7.4**

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

*“That in accordance with ASX Listing Rule 7.4, the Company ratifies and approves for the purposes of ASX Listing Rule 7.1, the issue of 3,578,949 Fully Paid Ordinary Shares in the capital of the Company, details of which are set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

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**Dated: 24 October 2022**

**By order of the Board**



**Andrew Bush  
Company Secretary**

## Voting Prohibition Statements

<b>Resolution 1 – Adoption of Remuneration Report</b>	<p>A vote on this Resolutions must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"><li>(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or</li><li>(b) a Closely Related Party of such a member.</li></ul> <p>However, a person (the <b>voter</b>) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"><li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or</li><li>(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none"><li>(i) does not specify the way the proxy is to vote on the Resolution; and</li><li>(ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.</li></ul></li></ul>
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## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolutions set out below by or on behalf of the following persons or an associate of the following persons:

<b>Resolution 3 – Approval of Additional 10% Placement Capacity</b>	<p>Any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity).</p> <p>Note: as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no Shareholders are currently excluded.</p>
<b>Resolutions 4 and 5 – Ratification of Issue of Ordinary Shares Pursuant To ASX Listing Rule 7.4</b>	<p>A person who participated in the issue or is a counterparty to the agreement being approved.</p>

However, this does not apply to a vote cast in favour of the 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.

## **Voting by proxy**

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To vote by proxy, 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 2001 (Cth), 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 2001 (Cth), 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.

If the Proxy Form is signed under a Power of Attorney on behalf of a Shareholder, then the Attorney must make sure that either the original Power of Attorney or a certified copy is sent with the Proxy Form, unless the Power of Attorney has already provided it to the Share Registry.

If a representative of a corporate Shareholder or a corporate proxy will be attending the Meeting, the representative should provide the Share Registry with adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

If you appoint the Chair of the Meeting as your proxy or the Chair of the Meeting is appointed as your proxy by default, and you do not provide any voting directions on your Proxy Form, you will be expressly authorising the Chair of the Meeting to cast your vote as she sees fit. If you intend to appoint a member of the Key Management Personnel (other than the Chair) or any of their closely related parties as your proxy on Resolution 1, please ensure that you direct them how to vote on Resolution 1.

Subject to any voting restrictions and exclusions, the Chair intends to vote in favour for all resolutions on the agenda.

## **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

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

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from Boardroom Pty Limited will need to verify your identity. You can register from 10.00am (AEDT) on the day of the Meeting.

## **Questions**

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A reasonable opportunity will be given to Shareholders to ask questions or make comments on the management of the Company at the Annual General Meeting.

Similarly, a reasonable opportunity will be given to Shareholders to ask questions to the Company's external Auditor, RSM Australia Partners, relevant to the conduct of the external audit for the year ended 30 June 2022, or the content of the Audit Report.

In order to provide an equal opportunity for all Shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's external Auditor. Please send questions to [admin@egl.com.au](mailto:admin@egl.com.au). Questions must be received by no later than 5.00pm (AEDT) on Friday, 18 November 2022.

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 409 130 650.***

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act 2001 (Cth), 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 2022, 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 its website at [www.environmental.com.au](http://www.environmental.com.au).

Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's Auditor will be present at the Meeting, and during the discussion of this item, will be available to discuss matters relevant to the audit.

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### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

#### 2.1 General

The Corporations Act 2001 (Cth) requires that at a listed company's Annual General Meeting, a resolution that the Remuneration Report be adopted must be put to the Shareholders. However, such a resolution is advisory only and does not bind the Company or the Directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and Senior Management of the Company. The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report of the Company for a financial year.

The Chair of the Meeting will allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the Annual General Meeting.

#### 2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial

year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### **2.3 Board recommendation**

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 1. The Chair of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 1.

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – TEIK LEONG SIAH (ADRIAN SIAH)**

### **3.1 General**

The Constitution provides that no Director who is not a managing director may hold office without re-election beyond the third AGM following the meeting at which the Director was last elected or re-elected.

Teik Leong Siah (Adrian Siah), having been re-elected as Director at the Annual General Meeting held on 26 November 2020, will retire in accordance with the Constitution and ASX Listing Rule 14.5 and being eligible, seeks re-election from Shareholders.

### **3.2 Qualifications and other material directorships**

Mr Adrian Siah has a strong financial management background specifically related to financial control, capital markets, mergers and acquisitions and growth funding for businesses. He initially qualified as a chartered accountant in New Zealand and worked in that capacity with one of the larger firms for several years before moving into investment banking.

Mr Siah is a member of the CA ANZ with a degree in Accounting from the University of Waikato New Zealand and is a member of the Australian Institute of Company Directors.

Mr Siah brings additional management skills to the Board, as well as broad connections in the investment community and in South East Asia.

### **3.3 Independence**

Mr Siah has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole rather than in the interests of an individual security holder or other party.

If re-elected the Board considers Mr Siah will be an Independent Director.

### **3.4 Board recommendation**

The Board, with Adrian Siah abstaining, supports the re-election of Adrian Siah and recommends that Shareholders vote in **FAVOUR** of Resolution 2. The Chair of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 2.

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## **4. RESOLUTION 3 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY**

### **4.1 General**

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

Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

Currently the Company is not included in the S&P/ASX 300 Index and has a market capitalisation of approximately \$61.30 million, therefore it is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

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

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in ASX Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in ASX Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in ASX Listing Rule 7.1.

### **4.2 Information Required by ASX Listing Rule 7.3A**

The following information is provided to Shareholder for the purposes of ASX Listing Rule 7.3A.

#### Period for which the approval will be valid

An approval under this ASX Listing Rule 7.1A commences on the date of the Annual General Meeting at which the approval is obtained and expires on the earlier of:

- (a) 24 November 2023, being 12 months from the date of this Annual General Meeting;
- (b) the time and date of the Company's next Annual General Meeting; and
- (c) the time and date on which Shareholders approve a transaction under ASX Listing Rule 11.1.2 (proposed change to nature and scale of activities) or ASX Listing Rule 11.2 (change involving main undertaking).

#### Minimum price at which the equity securities may be issued under Listing Rule 7.1A



Any equity securities issued under ASX Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The minimum price at which the equity securities may be issued is 75% of the volume weighted average price of equity securities in that class, calculated over 15 ASX trading days on which trades in that class were recorded immediately before:

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

Purposes for which the funds raised by an issue of equity securities under ASX Listing Rule 7.1A may be used

As noted above, any equity securities issued under ASX Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under ASX Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under ASX Listing Rule 7.1A during the ASX Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used to capitalise on growth opportunities for the following purposes:

- (a) the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
- (b) the development of the Company's current business; and
- (c) general working capital requirements.

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under ASX Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the Meeting where approval is being sought; and
- (b) the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date.

Any issue of equity securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any equity securities under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement

Capacity, the economic and voting dilution of existing Shares would be shown in the tables below.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$ 0.094 50% decrease in Issue Price	\$ 0.187 Issue Price	\$ 0.374 100% increase in Issue Price
Current Variable A 291,947,147	10% Voting dilution	29,194,715	29,194,715	29,194,715
	Funds raised	\$ 2,729,706	\$ 5,459,412	\$ 10,918,823
50% increase in current Variable A 437,920,721	10% Voting dilution	43,792,072	43,792,072	43,792,072
	Funds raised	\$ 4,094,559	\$ 8,189,117	\$ 16,378,235
100% increase in current Variable A 583,894,294	10% Voting dilution	58,389,429	58,389,429	58,389,429
	Funds raised	\$ 5,459,412	\$ 10,918,823	\$ 21,837,647

The table has been prepared on the following assumptions:

- Based on the total number of Fully Paid Ordinary Shares on issue as at 3 October 2022.
- The current issue price is \$0.190, being the closing price of the Company's Shares on ASX as at 3 October 2022.
- The table assumes that the Company issues the maximum number of Ordinary Shares available to be issued under ASX Listing Rule 7.1A.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under ASX Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- The table shows the effect of an issue of equity securities under ASX Listing Rule 7.1A only, not under the Company's 15% placement capacity under ASX Listing Rule 7.1.

#### Allocation policy for issues under ASX Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under ASX Listing Rule 7.1A will depend on a number of factors, including:

- the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the ASX Listing Rule 7.1A mandate period;
- the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- the potential effect on the control of the Company;
- the Company's financial position and the likely future capital requirements; and
- advice from the Company's corporate or financial advisors.

As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the timeframe in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under

ASX Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the ASX Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under ASX Listing Rules 3.10.3 and 7.1A.4.

Offers made under ASX Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, or any other person to whom the Company is able to make an offer of equity securities.

#### Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A at the 2021 General Meeting on 29 July 2021 (Previous Approval).

The Company did not issue any Shares pursuant to the Previous Approval

This Resolution is a Special Resolution. For a Special Resolution to be passed, at least 75% of the votes validly cast on the resolution by Shareholders (by number of ordinary shares) must be in favour of this Resolution.

### **4.3 Board recommendation**

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 3. The Chair of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 3.

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## **5. RESOLUTIONS 4 – RATIFICATION OF ISSUE OF ORDINARY SHARES PURSUANT TO ASX LISTING RULE 7.4**

### **5.1 Background**

In December 2021, the Company announced the Placement under which 27,142,857 Fully Paid Ordinary Shares (Placement Shares) were issued at a price of \$0.175 per Share raising \$4.75M (before costs). The Placement Shares were issued to certain investors on 16 December 2021 following a capital raise led by Taylor Collison, Lead Manager of the Placement. The Placement Shares rank equally with existing Ordinary Shares on issue.

Information regarding the Placement was lodged with the ASX on 8 December 2021.

ASX Listing Rule 7.1 imposes a cap on the number of securities that a company may issue within the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under ASX Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach ASX Listing Rule 7.1. The issue of shares described above did not breach any Listing Rules and Shareholder notification to this issue is now sought.

In order to restore the Company's capacity to issue shares, it is proposed that the Shareholders ratify the issue of ordinary shares as detailed above. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

As advised in the Company's ASX announcement on 8 December 2021, the proceeds raised will support the commercialisation of EGL Water's PFAS technology, provide additional working capital and support EGL's other business development opportunities.

## 5.2 Information required by ASX Listing Rule 7.5

In accordance with ASX Listing Rule 7.5, Shareholders are provided the following information:

The number and class of securities the entity issued or agreed to issue	27,142,857 Fully Paid Ordinary Shares
The date or dates on which the securities were or will be issued	The Fully Paid Ordinary Shares were issued on 16 December 2021
The price or other consideration the entity has received or will receive for the issue	\$0.175 per Share
The terms of the issue of securities	Fully Paid Ordinary Shares in the capital of the Company which ranked, from the date of their issue, pari passu to existing securities and not subject to a trading lock.
The names of the persons to whom the entity issued or agreed to issue the securities or the basis on which those persons were identified or selected	Existing and new institutional, sophisticated and professional investors nominated by Taylor Collison, Lead Manager of the Placement
The use (or intended use) of the funds raised	As advised in the Company's ASX announcement on 8 December 2021, the proceeds raised will support the commercialisation of EGL Water's PFAS technology, provide additional working capital and support EGL's other business development opportunities.
A voting exclusion statement	A voting exclusion statement is included under Resolution 4 in this Notice of Meeting.

## 5.3 Board recommendation

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 4. The Chair of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 4.

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**6. RESOLUTION 5 – RATIFICATION OF ISSUE OF ORDINARY SHARES PURSUANT TO ASX LISTING RULE 7.4**

**6.1 Background**

In April 2022, the Company announced an acquisition of Ignite Services Pty Ltd under which 3,578,949 Fully Paid Ordinary Shares (Acquisition Shares) were issued for non-cash consideration estimated worth of \$850,000. The Acquisition Shares were issued to the vendors of Ignite Services Pty Ltd pursuant to the Share Purchase Deed for the acquisition on 22 April 2022. The Acquisition Shares rank equally with existing Ordinary Shares on issue.

Information regarding the Placement was lodged with the ASX on 13 April 2022.

ASX Listing Rule 7.1 imposes a cap on the number of securities that a company may issue within the 12 month period. ASX Listing Rule 7.4 provides that an issue of equity securities made without Shareholder approval under Listing Rule 7.1 is treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 if the holders of ordinary securities subsequently approve it, and the issue did not breach ASX Listing Rule 7.1. The issue of shares described above did not breach any Listing Rules and Shareholder notification to this issue is now sought.

In order to restore the Company's capacity to issue shares, it is proposed that the Shareholders ratify the issue of ordinary shares as detailed above. Ratification provides the Company with flexibility in capital management and allows the Company to make further issues for working capital or other purposes as required.

As advised in the Company's ASX announcement on 13 April 2022, the acquisition of Ignite Services Pty Ltd includes all the assets of the business including working capital. The acquisition will add significant strength to the Company's offering with a highly complimentary service and product offering.

**6.2 Information required by Listing Rule 7.5**

In accordance with ASX Listing Rule 7.5, Shareholders are provided the following information:

The number and class of securities the entity issued or agreed to issue	3,578,949 Fully Paid Ordinary Shares
The date or dates on which the securities were or will be issued	The Fully Paid Ordinary Shares were issued on 22 April 2022
The price or other consideration the entity has received or will receive for the issue	Non-cash consideration estimated worth of \$850,000
The terms of the issue of securities	Fully Paid Ordinary Shares in the capital of the Company which ranked, from the date of their issue, pari passu to existing securities and not subject to a trading lock.
The names of the persons to whom the entity issued or agreed to issue the	Vendors of Ignite Services Pty Ltd

securities or the basis on which those persons were identified or selected	
The use (or intended use) of the funds raised	As advised in the Company's ASX announcement on 13 April 2022, the acquisition of Ignite Services Pty Ltd includes all the assets of the business including working capital. The acquisition will add significant strength to the Company's offering with a highly complimentary service and product offering.
A voting exclusion statement	A voting exclusion statement is included under Resolution 5 in this Notice of Meeting.

### 6.3 Board recommendation

The Board recommends that Shareholders vote in **FAVOUR** of Resolution 5. The Chair of the meeting intends to vote all available undirected proxies in **FAVOUR** of Resolution 5.

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## GLOSSARY

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**\$** means Australian dollars.

**AEDT** means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

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

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

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

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

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

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

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

**Company** means The Environmental Group Limited (ACN 000 013 427).

**Constitution** means the Company's Constitution.

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

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

**Equity Securities** includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

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

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the Listing Rules of ASX.

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

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

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

**Remuneration Report** means the remuneration report set out in the Directors' Report section of the Company's Annual Financial Report for the year ended 30 June 2022.

**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.

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

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





#### All Correspondence to:

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

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEDT) on Tuesday 22 November 2022.**

### 🖥 TO VOTE ONLINE

### 📱 BY SMARTPHONE

**STEP 1:** VISIT [www.votingonline.com.au/eglagm2022](http://www.votingonline.com.au/eglagm2022)

**STEP 2:** Enter your Postcode (if within Australia) OR Country of Residence (if outside Australia)

**STEP 3:** Enter your Voting Access Code (VAC):



**PLEASE NOTE:** For security reasons it is important you keep the above information confidential.

Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

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

To appoint a second proxy you must:

- complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

##### Proxy which is a Body Corporate

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

#### STEP 3 SIGN THE FORM

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

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

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

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

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

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore **11:00am (AEDT) on Tuesday 22 November 2022.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

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

- 💻 **Online** [www.votingonline.com.au/eglagm2022](http://www.votingonline.com.au/eglagm2022)
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 8, 210 George Street,  
Sydney NSW 2000 Australia

#### Attending the Meeting

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

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.  
**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

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

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

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

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Quest Hotel, 5 Acacia Place, Notting Hill, VIC, 3168 on Thursday 24 November 2022 at 11:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business.

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

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

**STEP 2 VOTING DIRECTIONS**  
\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – Teik Leong Siah (Adrian Siah)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Issue of Ordinary Shares Pursuant to ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Issue of Ordinary Shares Pursuant to ASX Listing Rule 7.4	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**STEP 3 SIGNATURE OF SECURITYHOLDERS**  
This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name .....

Contact Daytime Telephone .....

Date / / 2022