



MSL SOLUTIONS

ABN 96 120 815 778

MSL

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YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (Brisbane time) Sunday, 15 November 2020.**

MSL Solutions Limited Annual General Meeting

This year, as part of the Australian Government's response to the Coronavirus crisis, temporary modifications have been made to the *Corporations Act 2001* under the *Corporations (Coronavirus Economic Response) Determination (No.3) 2020*. These modifications allow notices of meeting, and other information regarding a meeting to be lodged online where it can be viewed and downloaded. We are relying on technology to facilitate shareholder engagement and participation in the meeting. Details of where you can access the notice of meeting, lodge a proxy and participate in the meeting are contained in this letter.

Meeting date and location:

The Annual General Meeting of MSL Solutions Limited will be a virtual meeting, which will be conducted online on Tuesday 17 November 2020, at 3:00pm (Brisbane time).

Attending the meeting online:

If you choose to participate online on the day of the meeting you will be able to view a live webcast of the meeting, ask the Directors questions online and submit your vote in real time.

Webcast and Questions

To view the live webcast and ask questions online you will need to visit https://us02web.zoom.us/webinar/register/WN_AS1v0mixQGCHdp82esy1fA

Voting

To vote online during the meeting you will need to visit <https://web.lumiagm.com/374061971> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at www.computershare.com.au/onlinevotingguide

Access the meeting documents and lodge your proxy online:

Online:

Access the meeting documents and lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I9999999999
PIN: 99999

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



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

Notice of Annual General Meeting

MSL Solutions Limited ACN 120 815 778

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Notice of Annual General Meeting

MSL Solutions Limited ACN 120 815 778

Notice is given that the Annual General Meeting of MSL Solutions Limited ACN 120 815 778 (**MSL or the Company**) will be held virtually via ZOOM Webinar on Tuesday, 17 November 2020 commencing at 3:00pm (Brisbane time). Shareholders may register to attend the webcast by following the link below:

https://us02web.zoom.us/webinar/register/WN_ASiv0mixQGCHdp82esy1fA

Shareholders will not be able to physically attend the Annual General Meeting.

For more information regarding the virtual Annual General Meeting including access, registration and voting, please refer to the Explanatory Memorandum.

Ordinary Business

Financial statements and reports

To consider and receive the financial report, the Directors' report and the auditor's report for the year ended 30 June 2020.

Directors' remuneration report

To consider and, if in favour, pass the following resolution in accordance with section 250R(2) Corporations Act:

- 1 'That the Remuneration Report be adopted.'

Note: This resolution shall be determined under section 250R(2) Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and closely related parties in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

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

Election of David Usasz

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 2 'That Mr David Usasz, who retires having previously been appointed to fill a casual vacancy in accordance with rule 19.2(b) of the Company's constitution, and having consented to act and being eligible, be elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Usasz abstaining) unanimously recommend that you vote in favour of this resolution.

Re-election of Richard Holzgrefe

To consider and, if in favour, pass the following resolution as an ordinary resolution:

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- 3 'That Dr Richard Holzgrefe, who retires by rotation in accordance with rule 19.3(a) of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Dr Holzgrefe abstaining) unanimously recommend that you vote in favour of this resolution.

Re-election of David Trude

To consider and, if in favour, pass the following resolution as an ordinary resolution:

- 4 'That Mr David Trude, who retires by rotation in accordance with rule 19.3(a) of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors (with Mr Trude abstaining) unanimously recommend that you vote in favour of this resolution.

Special business

Ratification of previous issue and allotment of Placement Shares

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 5 'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify and approve the previous issue and allotment of 36,427,987 Shares at an issue price of \$0.075 per Share on 11 November 2019, as detailed in the Explanatory Memorandum.'

The Directors unanimously recommend that you vote in favour of this resolution.

Ratification of previous issue and allotment of Placement Options

To consider, and if in favour, pass the following resolution as an ordinary resolution:

- 6 'That for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders ratify and approve the previous issue and allotment of 1,019,440 Placement Options at an exercise price of \$0.1125 per security on 14 January 2020, as detailed in the Explanatory Memorandum.'

The Directors unanimously recommend that you vote in favour of this resolution.

Issuance of Performance Rights to Chairman and Executive Director

To consider and, if in favour, to pass the following resolution as an ordinary resolution:

- 7 'That:

(i) for the purposes of ASX Listing Rule 10.14, approval be given to the grant of 1,200,000 Performance Rights to the Chairman and Executive Director, Mr Tony Toohey, under the MSL Solutions Limited Performance Rights Plan (PRP) which was approved at the Company's 2018

Annual General Meeting, in accordance with the terms of the PRP as described in the Explanatory Memorandum; and

(ii) for the purposes of sections 200B, 200E and 208(1)(a) *Corporations Act 2001* (Cth), approval be given in specified circumstances for the pro rata vesting of the Performance Rights granted to Mr Tony Toohey in the event of cessation of his employment as described in the Explanatory Memorandum.'

Note: if approval is obtained under Listing Rule 10.14, approval is not required under Listing Rule 7.1 or Listing Rule 10.11, as set out in the Explanatory Memorandum.

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

Dated: 16 October 2020

By order of the Board



Andrew Ritter
Company Secretary

Notes

- (a) A member who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) Subject to the *Corporations Act*, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (c) The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (d) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form. To be effective, the proxy must be received at the share registry of the Company no later than 3:00pm (Brisbane time) on Sunday, 15 November 2020 (48 hours before the commencement of the meeting).
- (e) A corporation may elect to appoint a representative in accordance with the *Corporations Act 2001* (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (f) The Company has determined under regulation 7.11.37 *Corporations Regulations 2001* (Cth) that for the purpose of voting at the meeting or adjourned meeting, Shares are taken to be held by those persons recorded in the Company's register of shareholders as at 7.00pm (Brisbane time) on Friday, 13 November 2020.
- (g) If you have any queries on how to cast your votes please call the Company Secretary on 1800 443 654 during business hours.

Voting exclusion statement

Corporations Act

Resolution 1 - The Company will disregard votes cast by a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Resolution 7 - The Company will disregard votes cast as proxy by Key Management Personnel or their closely related parties in contravention of section 250BD Corporations Act, unless express authorisation is provided under section 250BD(2) 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. The Company will also disregard votes cast by Mr Tony Toohey or an associate of Mr Tony Toohey in contravention of section 200E(2A) Corporations Act.

Listing Rules

In accordance with the Listing Rule 14.11, the Company will disregard votes cast in favour of the resolution by or on behalf of:

Resolution 5 – Ratification of previous issue and allotment of Shares under Placement	a person who participated in the issue or any associates of those persons.
Resolution 6 – Ratification of previous issue and allotment of Placement Options to Advisors	a person who participated in the issue or any associates of those persons.
Resolution 7 – Issuance of Performance Rights to Executive Director	any director of the Company who is eligible to participate in the employee incentive scheme in respect of which approval is sought and any associates of those persons.

However, for the purposes of Listing Rule 14.11, the Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Explanatory Memorandum

MSL Solutions Limited ACN 120 815 778 (**Company**)

This Explanatory Memorandum accompanies the notice of Annual General Meeting of the Company to be held via on-line platform on 17 November 2020 at 3:00pm (Brisbane time).

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Meeting details and how to register, vote and ask questions

- 1 The Annual General Meeting of shareholders of the Company will be held virtually at 3:00pm on Tuesday, 17 November 2020 via ZOOM Webinar.
- 2 You may register to attend the webcast by following the link below:
https://us02web.zoom.us/webinar/register/WN_ASiv0mixQGCHdp82esy1fA
- 3 You will be able to vote live during the Annual General Meeting by:
 - visiting **web.lumiagm.com** on a smartphone, tablet or computer (using the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox); and
 - using the unique meeting ID: **374061971**
- 4 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.
- 5 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.
- 6 **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.**

Financial statements and reports

- 7 The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the report of the Directors, the auditor's report and the financial report be laid before the Annual General Meeting.
- 8 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.
- 9 Shareholders will be given a reasonable opportunity at the meeting to raise questions and make comments on these reports.

10 In addition to asking questions at the meeting, Shareholders may address written questions to the chairman about the management of the Company or to the Company's auditor, Grant Thornton, if the question is relevant to:

- (a) the content of the auditor's report; or
- (b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

11 Written questions for the auditor must be delivered by 5.00pm on Tuesday, 10 November 2020. Please send any written questions for Grant Thornton to:

The Company Secretary
GPO Box 233
Brisbane, Queensland 4001

or via email to: companysecretary@mpowermsl.com

Resolution 1: Remuneration Report

12 The Remuneration Report is contained in the Financial Report. A copy is available on the Company's website.

13 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.

14 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining the Company's remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.

15 The Remuneration Report:

- (a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and
- (b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.

16 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

Directors' Recommendation

As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of good corporate governance and in accordance with the spirit of section 250R(4) Corporations Act, makes no recommendation regarding this resolution.

Resolution 2: Election of Mr David Usasz

17 Rule 19.2(b) of the Constitution provides that a Director appointed by the Board to fill a casual vacancy or as an addition to the existing Directors will hold office until the end of the next annual general meeting of the Company, at which the director may be elected.

- 18 Mr David Usasz retires from office under rule 19.2(b) of the Constitution and Listing Rule 14.4 and stands for election.
- 19 David joined the MSL Board on 5 February 2020. David has over 40 years' experience in business in Australia and Hong Kong, including over 20 year as a partner of PricewaterhouseCoopers (and its predecessor organisations). He has been involved in tax, mergers and acquisitions advice and corporate advisory consultancy specialising in corporate reorganisations.
- 20 He is currently Non-Executive Chairman on ASX-listed Smiles Inclusive Limited (ASX:SIL) and has previously held the position of Non-Executive Director of ASX-listed entities Cromwell Property Group, Queensland Mining Corporation Limited, GARDA Diversified Property Fund and GARDA Capital Group. David was also a Non-Executive Director of Queensland Investment Corporation (QIC).
- 21 David holds a Bachelor of Commerce from the University of Queensland and is a Fellow of the Institute of Chartered Accountants. David is the Chair of the Company's Audit & Risk Committee.

Directors' Recommendation

- 22 The Directors (with Mr Usasz abstaining), unanimously recommend the election of Mr Usasz to the Board.

Resolution 3: Re-election of Dr Richard Holzgreffe

- 23 Rule 19.3(a) of the Constitution and Listing Rule 14.5 requires an election of Directors to take place at every Annual General Meeting. Rule 19.3(b) of the Constitution states that no Director (who is not the 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.
- 24 Dr Richard Holzgreffe was last elected at the AGM dated 27 November 2017 and accordingly will retire from office under Listing Rule 14.5 and rule 19.3 of the Constitution and stand for re-election.
- 25 Richard was appointed as a non-executive Director in December 2007. He brings corporate experience across multiple industry sectors to the Company. He joined MSL from VLRQ Pty Ltd where he served as a Director from 1998 to 2004. He was a Director of Kenlynn Property Syndicates Pty Ltd from 1997 to 2000, and co-founded The BOH Dental Group, in 1976. He left in 1997 to pursue interests in the Property and Retirement Living sectors.
- 26 He currently serves as Chairman of Verton Technologies Aust Pty Ltd and is a Director of Holmac Holdings Pty Ltd. Richard holds a Bachelor of Dental Science degree from the University of Queensland.
- 27 Richard Holzgreffe is a member of the Company's Audit & Risk Committee and the Nomination & Remuneration Committee.

Directors' Recommendation

- 28 The Directors (with Dr Holzgreffe abstaining), unanimously recommend the election of Dr Holzgreffe to the Board.

Resolution 4: Re-election of Mr David Trude

- 29 Rule 19.3(a) of the Constitution and Listing Rule 14.5 requires an election of Directors to take place at every Annual General Meeting. Rule 19.3(b) of the Constitution states that no Director

(who is not the 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.

- 30 Mr David Trude was last elected at the AGM dated 27 November 2017 and accordingly will retire from office under Listing Rule 14.5 and rule 19.3 of the Constitution and stand for re-election.
- 31 David Trude joined the Board in 2017 bringing over 40 years' experience as a senior corporate executive within the banking and securities industries. He was formerly Managing Director, Australian Chief Executive Officer/Country Manager of Credit Suisse, Australia for 10 years from 2001. He has served as Chairman of Baillieu Holst Limited since 2010 having been a Board member since 2007, is Chairman of Waterford Retirement Village, Hansen Technologies Limited and East West Line Parks Pty Limited, a member of the Board of Chi-X Australia Pty Ltd and non-executive Director of Acorn Capital Investment Fund Limited, an ASX listed entity.
- 32 David holds a Bachelor of Commerce Degree from the University of Queensland, is a Senior Associate of the Financial Services Institute of Australasia, a member of the Australian Institute of Company Directors and Master Member of the Stockbrokers and Financial Advisers Association.
- 33 David Trude is the Chair of the Company's Nomination & Remuneration Committee.

Directors' Recommendation

- 34 The Directors (with Mr Trude abstaining), unanimously recommend the election of Mr Trude to the Board.

Special business

Resolution 5: Ratification of previous issue and allotment of Placement Shares &

Resolution 6: Ratification of previous issue and allotment of Placement Options

- 35 On 11 November 2019 the Company issued 36,427,987 Shares under ASX Listing Rule 7.1 to institutional and sophisticated investors (Placement Shares), raising \$2.73 million in funds for working capital purposes.
- 36 In addition, the Company issued 1,019,440 Options to acquire MSL Shares (Placement Options) on 14 January 2020 to an entity associated with Blue Ocean Equities Pty Limited for part compensation as the lead manager of the Placement Shares.
- 37 The purpose of resolutions 5 and 6 is for shareholders to ratify, under ASX Listing Rule 7.1 and 7.4 and for all other purposes, the previous issue of the Placement Shares and Placement Options.
- 38 ASX Listing Rule 7.1 (in combination with ASX Listing Rule 7.1A) limits the Company from issuing more than 25% of its issued capital without shareholder approval. Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the

Company's 15% capacity, enabling it to issue further securities up to that limit. Listing Rule 7.4 can also be utilised to refresh the Company's 10% capacity under Listing Rule 7.1A.

39 Resolution 5 proposes the ratification and approval of the allotment and issue of the Shares for the purpose of satisfying the requirements of ASX Listing Rule 7.4.

40 For the purposes of Listing Rule 7.5, the details of the Placement Shares are set out below:

Placement Shares	
Issue date	11 November 2019
Number of securities	36,427,987 Shares
Issue price	\$0.075 per Share
Terms of issue	The Shares rank equally with all existing Shares on issue
Allottees	Institutional and sophisticated investors *
Use of funds raised	Working capital purposes

* The institutional and sophisticated investors were lead-managed by Blue Ocean Equities Pty Limited, who are not related parties to the Company or otherwise persons to whom Listing Rule 10.11 applies, a member of the Key Management Personnel, a substantial Shareholder of the Company, an advisor to the Company or an associate of such persons.

41 For the purposes of Listing Rule 7.5.3, the material terms of the Placement Options are set out below:

Placement Options	
Issue date	14 January 2020
Number of securities	1,019,440 Options
Exercise price	\$0.1125 per Share
Expiry date	14 January 2023
Terms of issue	The Shares issued upon exercise of the Placement Options will rank equally with all existing Shares on issue
Allottees	L39 Pty Ltd (entity associated with Blue Ocean Equities Pty Ltd)
Purpose of issue	Part compensation for the Share Placement

42 For the purposes of Listing Rule 7.5.7, the options were issued as part compensation under the agreement for Blue Ocean Equities Pty Ltd as lead manager for the Placement Shares transaction which took place on 11 November 2019. Other material terms of the agreement included selling and management fees totalling 5% of the proceeds raised.

43 For the purposes of Listing Rule 14.1A, if resolutions 5 and 6 are passed the Placement Shares and Placement Options will be excluded in calculating the Company's placement capacity limit under Listing Rule 7.1 and effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of Placement Shares and Placement Options. If resolutions 5 and 6 are not passed, the Company's

capacity to raise additional equity funds over the next 12 months without reference to shareholders will be reduced.

Directors' recommendation

44 The Directors unanimously recommend you vote in favour of this resolution.

Resolution 7: Issuance of Performance Rights to Chairman and Executive Director

45 Resolution 7 seeks Shareholder approval for the granting of 1,200,000 Performance Rights to Executive Director and Chairman, Mr Tony Toohey, under MSL Solutions Limited's Performance Rights Plan (PRP) as well as Shareholder approval for the pro rata vesting of the Performance Rights granted to Mr Toohey in the event that Mr Toohey ceases his employment in certain circumstances.

Why Shareholder approval is being sought

46 ASX Listing Rule 10.14 states that a listed company must not permit a Director to acquire securities under an employee incentive scheme without Shareholder approval, by ordinary resolution. The purpose of Resolution 7 is to have Shareholders approve the proposed grant of Performance Rights to the Company's Executive Director and Chairman, Mr Tony Toohey pursuant to the PRP.

47 The objective of the proposed grant of Performance Rights to Mr Toohey is primarily to link the reward of Performance Rights to Shareholder value creation and align his interests with those of Shareholders and to encourage the long-term sustainable growth of the Company.

48 In addition, the Company seeks Shareholder approval pursuant to section 200E of the Corporations Act for the pro rata vesting of the Performance Rights granted to Mr Toohey, in the event that Mr Toohey ceases to be employed by the Company in limited circumstances, as specified in the terms of their invitations. These circumstances include redundancy, death or permanent disability.

49 Under sections 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company if it is approved by shareholders under section 200E of the Corporations Act or an exemption applies. The term "benefit" may include the pro rata vesting of Performance Rights in the limited circumstances outlined above, where Mr Toohey ceases to be employed by the Company. This pro rata vesting of Mr Toohey's Performance Rights, in those circumstances, may amount to the giving of a termination benefit requiring Shareholder approval, and as such, approval is sought for these purposes.

50 The number of Performance Rights that may vest on cessation of Mr Toohey's employment can be calculated by:

$$\frac{(\text{Date of Grant} - \text{Date of termination})(\text{in days})}{(\text{Date of Grant} - \text{Intended Vesting Date})(\text{in days})} \times \text{No. of Performance Rights held on cessation}$$

51 The value of the Performance Rights may be affected by:

(a) the market price of Company Shares at the time the employment ceases;

- (b) the exercise price applicable to the Performance Rights;
- (c) the performance against the performance hurdles at the time the employment ceases;
- (d) the part of the service period has elapsed at the time the employment ceases; and
- (e) the number of Performance Rights that lapse on cessation of employment.

Grant of Performance Rights to Mr Toohey

52 As outlined previously, Shareholder approval must be sought, in accordance with ASX Listing Rule 10.14, for the grant of these Performance Rights to Mr Toohey. Listing Rule 10.14 provides that a company must not issue equity securities to a director of the company under an employee incentive scheme unless the issue has been approved by holders of ordinary securities. Once approval is obtained pursuant to Listing Rule 10.14, the Company is entitled to rely on Listing Rule 10.12, Exception 4 as an exception to any requirement that may otherwise apply requiring shareholder approval under Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.

53 The Remuneration Committee have concluded that the remuneration for Mr Toohey (including the proposed grants of Performance Rights) is reasonable and appropriate having regard to the circumstances of the Company and Mr Toohey's duties and responsibilities.

Maximum number of Performance Rights to be issued to Mr Toohey

54 If Shareholder approval is granted, the maximum number of Performance Rights that may be granted to Mr Toohey is 1,200,000.

Vesting Conditions and Important Dates

Exercise of these Performance Rights will depend on meeting the Vesting Conditions as follows:

Tranche	Number	Vesting Date	Vesting Condition
1	400,000	21 Jul-21	One third allocation, vesting at 12 months from the date of issue.
2	400,000	21 Jul-22	One third allocation, vesting at 24 months from the date of issue.
3	400,000	21 Jul-23	One third allocation, vesting at 36 months from the date of issue.
	<u>1,200,000</u>		

55 Mr Toohey must remain an employee, consultant or Director of MSL Solutions Limited at the time the Performance Rights vest, and the Performance Rights will lapse if not vested and/or exercised by the dates in the above table.

Value of Performance Rights

56 The Performance Rights to be issued to Mr Toohey are subject to the achievement non-market conditions only – ie in this case it is only the passage of time and Mr Toohey must remain as an employee, consultant or Director of MSL at the time of vesting.

57 As the performance condition is non-market based, the Performance Rights are valued at the share price at the date of issue, and the number of Performance Rights expected to vest is to be assessed each reporting period. Under AASB 2, MSL should not adjust the fair value (per unit) for non-market based and service conditions but should instead change the total number of equity instruments that are expected to vest.

58 Accordingly, the value of the Performance Rights is determined as:

1,200,000 Performance Rights x \$0.055 (share price on grant date) = \$66,000 (\$22,000 per annum)

59 Where the probability of a non-market based hurdle or service condition being met changes, MSL is required to adjust the number of performance rights expected to vest, which in turn will modify the total recorded expense.

60 The final value of the Performance Rights to Mr Toohey, if any, will depend on a number of factors, including:

- (a) the Company meeting the performance conditions;
- (b) the value of the Company's shares at the date of exercise of the Performance Rights and sale of the underlying securities;
- (c) the number of Performance Rights that vest; and
- (d) Mr Toohey remaining employed or engaged with the Company.

Remuneration

61 Excluding the value of the proposed Performance Rights Mr Toohey will receive cash remuneration of \$192,050 per annum comprising salary, superannuation and other benefits.

Price of Performance Rights

62 The Performance Rights will be granted at no cost to Mr Toohey. Once the vesting conditions are met, the Performance Rights will be exercisable with no Exercise Price.

Financial Benefit provided

63 Approval has been sought for the giving of a financial benefit to Mr Toohey, a related party, under section 208 of the Corporations Act. The amount, terms and value (subject to the stated assumptions) of the Performance Rights are set out above.

64 The reasons for giving this financial benefit, include:

- (a) the granting of an equity incentive conserves cash;
- (b) Mr Toohey will only benefit from the Performance Rights if all MSL shareholders benefit because of the demanding share price hurdles imposed;
- (c) Mr Toohey is considered by the Board to be integral to MSL's business and therefore the Performance Rights give strong alignment to performance; and
- (d) the value of the Performance Rights when added to the cash component is very reasonable total compensation for an executive of Mr Toohey's abilities and expertise.

65 For these reasons the Board believes to giving of this financial benefit is in the company's best interests.

- 66 No loans will be provided to Mr Toohey in respect of any securities offered under PRP, without shareholder approval.
- 67 Subject to shareholder approval, it is anticipated that the Performance Rights will be granted to Mr Toohey shortly after the AGM with an effective issue date of 21 July 2020. Irrespective of these intentions, Performance Rights approved by shareholders under this resolution will be issued within 12 months of the date of this Meeting.

Other Conditions

- 68 Unvested Performance Rights may, in certain circumstances, vest early in accordance with the terms of the PRP Rules, and any Leaver's Policy that may apply from time to time, as approved by the Board.
- 69 Any dealing in Shares is subject to the constraints of Australian insider trading laws and the Company's Share Trading Policy. Participants are specifically prohibited from hedging their Company share price exposure in respect of their Performance Rights during the vesting period.
- 70 For the purpose of Listing Rule 10.15.4A, all Directors are entitled to participate in the Plan.
- 71 For the purpose of Listing Rule 10.15.4, Mr Toohey previously received 1,500,000 Performance Rights under the Performance Rights Plan, as approved at the Company's last AGM on 27 November 2019. The expiry date of those performance rights is 1 September 2024 and the vesting date and conditions are detailed in the explanatory memorandum within the 2019 Notice of AGM.
- 72 If, in the Board's opinion, Mr Toohey has acted fraudulently or dishonestly or is in breach of their material obligations to the Company, the Board may determine that any or all of their Performance Rights which have not yet vested, lapse.
- 73 In accordance with ASX Listing Rule 10.18 and 10.19 respectively, Mr Toohey shall not:
- (a) be entitled to receive termination benefits (or any increase in them) if a change occurs in the shareholding or control of the Company; and
 - (b) without shareholder approval, be entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the Company (as set out in the latest accounts of the Company given to ASX under the Listing Rules).

Other general terms of the Performance Rights

General Information

- 74 Under AASB 2 (paragraphs 16 to 18), MSL is required to estimate the fair value of the performance rights granted using a valuation technique to estimate what the price of those equity instruments would have been on the measurement date in an arm's length transaction between knowledgeable, willing parties. The valuation technique is to be consistent with generally accepted valuation methodologies for pricing financial instruments, and shall incorporate all factors and assumptions that knowledgeable, willing market participants would consider in setting the price.
- 75 All Performance Rights issued by MSL are subject to the achievement of certain vesting conditions. The two types of vesting conditions: Service condition (which requires the recipient to

complete a specified period of service determined at grant date) and Performance condition (specified performance targets that need to be met, such as a as a specific increase in the entity's share price over a specified period of time.

76 Performance conditions fall into two different classes:

- (a) Market conditions - a condition upon which the exercise price, vesting or exercisability of the performance rights depends that is related to the market price of an entity's share price - such as attaining a specified share price, or achieving a specified target linked to an entity's share price.
- (b) Non-market conditions - all those remaining conditions which do not fall into the above category.

77 Consistent with AASB 2, where the Performance Rights being issued are based on non-market conditions the fair value (per unit) for non-market based and service conditions should not be adjusted and should instead change the total number of equity instruments that are expected to vest.

78 The Board believes that all of the Performance Rights are expected to vest and therefore no adjustment is required. In addition, the Board draws shareholders' attention to the fact the stated valuation does not constitute and should not be taken as audited financial information. The reportable value of the employee benefit expense in subsequent financial periods may vary due to a range of timing and other factors. In particular, the figures were calculated effective as at 30 September 2020.

Summary of the material terms of the MSL Performance Rights Plan (PRP)

79 The Plan will be open to eligible participants (including employees, executives, Directors and consultants) of the Company or any of its subsidiaries who the Board designates as being eligible.

80 Performance rights will be offered to eligible participants for no consideration under the Plan. The offer must be in writing and specify, amongst other things, the number of performance rights for which the participants may accept, the date on which the performance rights vest and any conditions to be satisfied before vesting, and any other terms attaching to the rights.

81 The performances rights vest subject to the satisfaction of any vesting conditions or any other conditions contained in the offer and upon which each performance right shall entitle an eligible participant to receive one share after the vesting date.

82 The Board may decide, in its absolute discretion to substitute the issue of Shares on the vesting of Performance Rights for the payment of a cash amount.

83 Unless the Board determines otherwise, unvested performance rights shall lapse upon the occurrence of specified events contained in the Plan rules, including termination of employment, resignation or redundancy.

84 Performance rights issued under the Plan do not entitle the holder to notice of, or to vote at, or attend Shareholders' meetings, or to receive any dividends declared by the Company. Should the Company undergo a reorganisation or reconstruction of capital or any other such change, the terms of the rights will be correspondingly changed to the extent necessary to comply with the Listing Rules.

85 In the event of a change of control, the Board shall have discretion to deal with the performance rights, including allowing accelerated vesting of the rights.

- 86 Performance rights will not be quoted on the ASX. The Company will apply for official quotation of any Shares issued under the Plan.
- 87 Performance rights are not transferable or assignable without the prior written approval of the Board.
- 88 The Plan will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the Plan.
- 89 The Plan may be terminated or suspended at any time by the Board. To the extent permitted by the Corporations Act and the Listing Rules, the Board retains the discretion to vary the terms and conditions of the Plan except where the amendment would have the effect of materially adversely affecting or prejudicing the rights of any participant holding performance rights.
- 90 Details of any securities issued under the PRP will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- 91 Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the PRP after the resolution is approved and who are not named in a notice of meeting will not participate until approval is obtained under that rule.

Existing interests and the dilutionary effect on other Shareholders' interests

- 92 For the purposes of Listing Rule 14.1A, if resolution 7 is approved the effect that the vesting of the Performance Rights will have on the interests of Mr Toohey relative to other Shareholders' interests is set out in the following table. The table assumes no further issues of shares in, or reconstruction of the capital of the Company during the time between issue and vesting of the Performance Rights.

The total number of shares on issue in the capital of the Company	322,258,160
Shares currently held by Mr Toohey*	Nil
% of shares currently held by Toohey	N/A
Performance rights to be issued under Resolution 7	1,200,000
Existing performance rights held by Toohey	1,500,000
Shares that will be held following the vesting of all performance rights held by Toohey	2,700,000
% of Shares that would be held assuming no other performance rights vested	0.84%

* including indirect interests

Directors' Recommendation

As stated in the Notice of AGM, any vote cast in respect of this resolution by a member of the Board or KMP or any person who participates in the issue of the Performance Rights, and their respective associates, will be disregarded, except as stated in the Notice of AGM.

Glossary

MSL Solutions Limited ACN 120 815 778

Annual General Meeting or AGM	means the Company's annual general meeting the subject of this Notice of Meeting.
Annual Report	means the 2020 annual or financial report of the Company.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of directors of the Company.
Company	means MSL Solutions Limited ACN 120 815 778.
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	means the <i>Corporations Regulations 2001</i> (Cth).
Directors	means the directors of the Company.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Options	means an Option to acquire Shares in the Company.
Performance Rights	means the performance rights that are subject of approval under resolution 7.
Placement Options	means the Options that are the subject of approval under resolution 6.
Placement Shares	means the Shares that are the subject of approval under resolution 5.
Remuneration Report	means the section of the Directors' report for the 2020 financial year that is included under section 300A(1) Corporations Act.
Shares	means the existing fully paid ordinary shares in the Company.
Shareholder	means a person who is the registered holder of Shares.
Termination Benefits	means, for the purposes of Listing Rules 10.18 and 10.19, payments, property and advantages that are receivable on termination of employment, engagement or office, except those from any superannuation or provident fund and those required by law to be made.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to Mr Andrew Ritter (email: companysecretary@mpowermsl.com).

MSL SOLUTIONS

ABN 96 120 815 778

MSL

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



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **3:00pm (Brisbane time) Sunday, 15 November 2020.**

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.

Lodge your Proxy Form:

XX

Online:

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

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

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

By Mail:

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

By Fax:

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



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

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 MSL Solutions 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 MSL Solutions Limited to be held via a Zoom web conference at https://us02web.zoom.us/webinar/register/WN_ASiv0mixQGCHdp82esy1fA hosted by MSL Solutions Limited with online voting hosted by Lumi at <https://web.lumiagm.com/374061971> on Tuesday 17 November 2020 at 3:00pm (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 Items 1 & 7 (except where I/we have indicated a different voting intention in step 2) even though Items 1 & 7 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 Items 1 & 7 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

	For	Against	Abstain
1 Directors' remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of David Usasz	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Richard Holzgrefe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-election of David Trude	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Special Business

5 Ratification of previous issue and allotment of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Ratification of previous issue and allotment of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Issuance of Performance Rights to Chairman and Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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 Securityholder 2 Securityholder 3 / /
Sole Director & Sole Company Secretary Director 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

