
ULTRACHARGE LIMITED

ACN 140 316 463

NOTICE OF EXTRAORDINARY GENERAL MEETING

TIME: 4:00pm (AEST)

DATE: Friday 17 August 2018

PLACE: Seasons Botanic Gardens Melbourne, 348 St Kilda Road Melbourne
Victoria

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 (0)3 9191 0135.

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IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is hereby given that the Extraordinary General Meeting of the Shareholders of UltraCharge Limited ACN 140 316 463 (**Company**) will be held at Seasons Botanic Gardens Melbourne, 348 St Kilda Road Melbourne Victoria on Friday, 17 August 2018, at 4:00pm (AEST). The Explanatory Statement that accompanies and forms part of this Notice of Extraordinary General Meeting sets out the background information on the various matters to be considered. This Notice of Extraordinary General Meeting and Explanatory Statement should be read in their entirety.

YOUR VOTE IS IMPORTANT

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

VOTING ELIGIBILITY

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 of the Company as at 7:00 pm (AEST) on Wednesday 15 August 2018.

VOTING IN PERSON

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

VOTING BY PROXY

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

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

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

A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name and title of the individual representative of the body corporate for the Meeting.

A proxy form accompanies this notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power or authority.

Sections 250BB and 250BC of the Corporations Act apply to voting by proxy. Broadly, these provisions provide 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.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-Chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's shareholders; and
- the appointed proxy is not the Chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the Meeting.

Proxy Voting by the Chair

The *Corporations Act 2001* (Cth) (as amended) imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (and/or voting undirected proxies) on, amongst other things, remuneration matters.

However, the Chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the Chair to exercise the undirected proxy, even if the Resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a proxy form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on Resolutions 1 to 6 (even though Resolution 5 relates to the remuneration of a Director). In accordance with this express authority provided by you, the Chair will vote in favour of Resolutions 1 to 6. If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the form.

The Chair intends to vote all available undirected proxies in favour of each item of business.

CORPORATE REPRESENTATIVES

Any corporation which is a shareholder of the Company may appoint a proxy, as set out above, or authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the Chair) a natural person to act as its representative at any general meeting.

Corporate representatives are requested to bring appropriate evidence of appointment as a representative in accordance with the Constitution. Attorneys are requested to bring an original or certified copy of the power of attorney pursuant to which they were appointed. Proof of identity is also required for corporate representatives and attorneys.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1: RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES PURSUANT TO ASX LISTING RULE 7.1

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 33,635,489 Shares, each at an issue price of \$0.023 per Share, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by a 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.

2. RESOLUTION 2: RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES PURSUANT TO ASX LISTING RULE 7.1A

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 75,060,163 Shares, each at an issue price of \$0.023 per Share, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue or an associate of that person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by a 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.

3. RESOLUTION 3: RATIFICATION OF PRIOR ISSUE – LEAD MANAGER SHARES

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

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 10,000,000 Shares, each at a nil issue price, on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by Armada Capital & Equities Pty Ltd or an associate of that entity. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by a 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.

4. RESOLUTION 4: APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to allot and issue 50,000,000 Lead Manager Options for \$0.00001 per Lead Manager Option to the Lead Manager (or its nominee), on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by Armada Capital & Equities Pty Ltd (or its nominee) or an associate of that entity. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by a 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.

5. RESOLUTION 5: APPROVAL FOR ISSUE OF SHARES TO KOBI BEN-SHABAT

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

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, the Shareholders approve the issue of 7,000,000 Shares to Mr Kobi Ben-Shabat or his nominee, on the terms and conditions, and in the circumstances described in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Kobi Ben-Shabat (or his nominee) and any associate of Mr Kobi Ben-Shabat (or his nominee). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by a 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.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution. Provided the Chair is not an excluded party for the purposes of this Resolution, the above prohibition does not apply if:
 - (c) the proxy is the Chair; and
 - (d) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 6: ADOPTION OF INCENTIVE OPTION PLAN

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

"That, for the purposes of ASX Listing Rule 7.2 Exception 9 and all other purposes, approval is given for the adoption of the Company's Incentive Option Plan, on the terms and conditions described in the Explanatory Statement."

Voting exclusion statement: The Company will disregard any votes cast on this Resolution by a director of the Company (except one who is ineligible to participate in any employee incentive

scheme in relation to the entity). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form or it is cast by a 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.

DATED: 13 JULY 2018
BY ORDER OF THE BOARD
JUSTYN STEDWELL
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders deciding whether or not to pass the Resolutions which are the subject of the business of the Meeting.

1. BACKGROUND

1.1 Agreement with Blitz Electric Motors Ltd.

As announced by the Company on 23 May 2018, the Company has signed a deal with Blitz Electric Motors Ltd. (ID 514788702) (**Blitz**), a company incorporated and operating in Israel, to supply lithium-ion batteries.

The agreement is with respect to the supply of two types of lithium-ion batteries for electric scooters manufactured by Blitz. Blitz has operations in Israel, India, Belgium, Sweden, Argentina, France, Holland, Great Britain Spain, Portugal, Turkey and Greece and has household clients such as Dominos and Pizza Hut.

The agreement is for 3 years for the supply of approximately 30,000 lithium-ion batteries.

The Company anticipated at that time, that it would require additional funds to meet this demand for supply and to commercialise the Company's battery technologies.

1.2 Capital raising

As announced by the Company on 4 June 2018, the Company has completed a placement to sophisticated and professional investors to raise a total of \$2,500,000 (before costs) through the issue of 108,695,652 Shares at an issue price of \$0.023 per Share (**Placement**). The 108,695,652 Shares were issued on the following basis:

- (a) 33,635,489 Shares were allotted pursuant to ASX Listing Rule 7.1; and
- (b) 75,060,163 Shares were allotted pursuant to ASX Listing Rule 7.1A.

The funds raised from the issue of the Placement Shares will be used to commercialise the Company's battery technologies, as working capital in the Company and for strategic intellectual property acquisitions by the Company.

2. RESOLUTION 1: RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES PURSUANT TO ASX LISTING RULE 7.1

2.1 General

On 4 June 2018, the Company issued 108,695,652 Shares, each at an issue price of \$0.023 per Share to certain sophisticated and professional investors, being clients of the Lead Manager, in order to raise \$2,500,000 from the Shares issued.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 33,635,489 of the above Shares (**7.1 Placement Shares**), (**Ratification 1**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provides that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying the issue of the 7.1 Placement Shares, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 1:

- (a) 33,635,489 Shares were allotted;
- (b) the issue price was \$0.023 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the 7.1 Placement Shares were issued to certain sophisticated and professional investors, being clients of the Lead Manager; and
- (e) the relevant funds raised will be used to commercialise the Company's battery technologies, as working capital in the Company and for strategic intellectual property acquisitions.

2.3 Recommendation

The Directors recommend Shareholders vote in favour of this Resolution.

3. RESOLUTION 2: RATIFICATION OF PRIOR ISSUE – PLACEMENT SHARES PURSUANT TO ASX LISTING RULE 7.1A

3.1 General

On 4 June 2018, the Company issued 108,695,652 Shares, each at an issue price of \$0.023 per Share to certain sophisticated and professional investors, being clients of the Lead Manager, in order to raise \$2,500,000 from the Shares issued.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 75,060,163 of the above Shares (**7.1A Placement Shares**), (**Ratification 2**).

ASX Listing Rule 7.1A provides that a company that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A (**Additional Capacity Approval**), may in addition to issuing shares without prior shareholder approval pursuant to ASX Listing Rule 7.1, issue or agree to issue (during the period for which the Additional Capacity Approval is valid), equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Any issue of ordinary securities under the ASX Listing Rule 7.1A capacity will not be counted in variable 'A' in the formula in ASX Listing Rule 7.1A and will be counted in

variable 'E', until the issue is ratified under ASX Listing Rule 7.4 or 12 months has passed from the date of issue.

By ratifying the issue of the 7.1A Placement Shares, the 10% annual placement capacity set out in ASX Listing Rule 7.1A will be renewed to the extent of the ratification and the Company will retain the flexibility to issue equity securities in the future up to that capacity without the requirement to obtain prior Shareholder approval.

3.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 2:

- (a) 75,060,163 Shares were allotted;
- (b) the issue price was \$0.023 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the 7.1A Placement Shares were issued to certain sophisticated and professional investors, being clients of the Lead Manager; and
- (e) the relevant funds raised will be used to commercialise the Company's battery technologies, as working capital in the Company and for strategic intellectual property acquisitions.

3.3 Recommendation

The Directors recommend Shareholders vote in favour of this Resolution.

4. RESOLUTION 3: RATIFICATION OF PRIOR ISSUE – LEAD MANAGER SHARES

4.1 General

On 4 June 2018, the Company issued 10,000,000 Shares, each at a nil issue price to the Lead Manager, as part of the Lead Manager's mandate with the Company with respect to the capital raising incorporating the 7.1 Placement Shares and the 7.1A Placement Shares.

The issue of these 10,000,000 Shares is part of the Lead Manager's fees for advising the Company on, and assisting the Company with, the Placement, including:

- (a) providing advice with respect to the Placement;
- (b) assisting the Company with its due diligence process, regulatory and other associated issues, including assisting with relevant documentation of the Placement; and
- (c) assisting in the offer application process and other administration.

This Resolution seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the above Shares (**Ratification 3**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provides that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

4.2 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Ratification 3:

- (a) 10,000,000 Shares were allotted;
- (b) the issue price was nil per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to the Lead Manager; and
- (e) no funds were raised from the issue.

4.3 Recommendation

The Directors recommend Shareholders vote in favour of this Resolution.

5. RESOLUTION 4: APPROVAL TO ISSUE LEAD MANAGER OPTIONS

5.1 Background

The Company is seeking approval from its Shareholders for the purposes of ASX Listing Rule 7.1 and all other purposes to issue 50,000,000 Lead Manager Options to the Lead Manager. The issue of these Lead Manager Options is part of the Lead Manager's fees for advising the Company on, and assisting the Company with, the Placement.

The Lead Manager Options will be issued for \$0.00001 per Lead Manager Option. Each Lead Manager Option expires on 30 June 2020 and has a strike price of \$0.05.

5.2 Why approval is being sought under ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides, subject to certain exceptions, that shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

The effect of this Resolution will be to allow the Company to issue up to 50,000,000 Options (and Shares upon exercise of such Options) without using the Company's 15% placement capacity.

5.3 Information required to be provided to Shareholders under ASX Listing Rule 7.3

In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to Shareholders:

ASX Listing Rule requirement	Explanation
Maximum number of securities to be issued	50,000,000 Lead Manager Options.
Date for issue and allotment of securities	The Company will issue and allot the Lead Manager Options progressively after Shareholder approval has been obtained (and in any event no later than 3 months after the date of the Meeting).
Issue price per security	The Lead Manager Options will be issued for \$0.00001 per Lead Manager Option.
Identification of recipients of securities	The Lead Manager (or its nominees).
Terms of the securities	Please refer to the terms set out in the Schedule to this Notice, where each Lead Manager Option is referred to as an 'advisor option'.
Use of funds raised	The Company proposes to use the funds raised from the issue of the Lead Manager Options for working capital purposes of the Company.

5.4 Recommendation

The Directors recommend Shareholders vote in favour of this Resolution.

6. RESOLUTION 5: APPROVAL FOR ISSUE OF SHARES TO KOBI BEN-SHABAT

6.1 Background

The Company proposes to issue 7,000,000 shares to Mr Kobi Ben-Shabat and/or his nominee on the terms and conditions set out below. The issuance of shares to executive directors as a form of incentive-based remuneration is common practice in listed companies and further encourages and rewards efforts by directors to improve the performance of their company for the commercial benefit of all shareholders.

The Board believes it is important to offer shares to executive directors to continue to attract and maintain highly experienced and qualified executives in a competitive market (in a way that allows the Company to utilise its available cash for other preferred purposes).

6.2 Chapter 2E of the Corporations Act

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a 'financial benefit' to a 'related party' unless one of the exceptions set out in Sections 210 to 216 of the Corporations Act apply, or shareholders have in a general meeting approved the giving of that financial benefit to that related party. The issue of Shares to Mr Kobi Ben-Shabat (or his nominee) constitutes giving a financial benefit and Mr Kobi Ben-Shabat is a related party by virtue of being a Director.

The Directors (other than Mr Kobi Ben-Shabat who has a material personal interest in this Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of these Shares to Mr Kobi Ben-Shabat because the Shares form part of Mr Kobi Ben-Shabat's remuneration as an executive officer of the Company and the remuneration is reasonable given Mr Kobi Ben-Shabat's circumstances and the circumstances of the Company.

Given the nature of the Company's activities, the performance of the Directors and the performance and value of the Company are closely related. As such, the Shares granted are intended to provide reward and incentive for future services provided to the Company to further the progress of the Company and to deliver growth and Shareholder value. In the Company's circumstances, the Directors considered that the allotment of the Shares to Mr Kobi Ben-Shabat provides a cost effective and efficient incentive as opposed to alternative forms of incentives (such as cash bonuses or increased salary or board fees).

Accordingly, approval will not be sought under Chapter 2E for the issue of these Shares to Mr Kobi Ben-Shabat as the issue of the Shares constitutes 'reasonable remuneration' in accordance with Section 211 of the Corporations Act.

6.3 ASX Listing Rule 10.11

Notwithstanding that approval will not be sought from Shareholders under Chapter 2E of the Corporations Act, under ASX Listing Rule 10.11, shareholder approval is required for the issue of any equity securities to a related party of a listed company. Once approval is obtained pursuant to ASX Listing Rule 10.11, the Company is entitled to rely on ASX Listing Rule 7.2 (Exception 14) as an exception to any requirement that may otherwise apply requiring Shareholder approval under ASX Listing Rule 7.1. Therefore, the issue of Shares to Mr Kobi Ben-Shabat under this Resolution (if passed) will not reduce any of the Company's 15% Capacity under ASX Listing Rule 7.1.

6.4 Information required by ASX Listing Rule 10.13

In compliance with the information requirements of ASX Listing Rule 10.13, Shareholders are advised of the following particulars of the allotment and issue contemplated by this Resolution:

Name of person	Kobi Ben-Shabat (or his nominee).
Maximum number of securities to be issued	7,000,000.
Date for issue and allotment of securities	The Company proposes to issue the Shares following Shareholder approval and in any event no later than 1 month after the date of the Meeting.
Issue price per security	Nil.

Terms of the securities	The Shares to be issued pursuant to this Resolution will be held in escrow for 1 year from the date of issue and with otherwise rank equally with all other Shares on issue at the time those Shares are issued.
Use of funds raised	No cash will be received for the Share issue.

6.5 Additional information

Mr. Kobi Ben-Shabat's remuneration package for the financial year ending 30 June 2018 (FY18) and 30 June 2019 (FY19) are expected to consist of the following components:

Component	FY18	FY19
Salary	AUD \$366,000	AUD \$319,000
Performance Rights	AUD \$159,000	AUD \$ 33,000
Shares (subject of this Resolution)	-	AUD \$154,000*
Total	AUD \$525,000	AUD \$496,000

*Based on the price of the Company's shares as traded on ASX on 28 June 2018 (\$0.022), the 7,000,000 shares have current value of \$154,000.

Mr Kobi Ben-Shabat's existing interests in the Company are as set out below:

- (a) 20,638,082 Shares and 1,875,000 performance rights held via 102 Capital management; and
- (b) 20,428,399 Shares and 2,500,000 performance rights held via Reblaze Singapore Pte Ltd.

There are currently 912,716,818 Shares on issue. The dilutionary effect of the issue of the issue of 7,000,000 Shares under this Resolution would be 0.77%.

The Directors do not consider that there are any significant opportunity costs or taxation consequences for the Company (or benefits foregone by the Company) as a result of the issuance of the Shares to Mr Kobi Ben-Shabat in accordance with this Resolution.

6.6 Directors' recommendation

Mr Kobi Ben-Shabat has a personal interest in the outcome of this Resolution on the basis that he (or his nominee) will be issued Shares if this Resolution is passed. The remaining Directors do not have a personal interest in the outcome of this Resolution. However, in accordance with good corporate governance practice, the remaining Directors abstain from making a recommendation on how to vote on this Resolution because the Resolution relates to another Director's remuneration.

7. RESOLUTION 6: ADOPTION OF INCENTIVE OPTION PLAN

7.1 Background

This Resolution is an ordinary resolution that provides for the adoption of the Incentive Option Plan (**IOP**) to provide ongoing incentives to any full time or part time employee of the Company or any of its subsidiaries (including a director or company secretary of the Company or its subsidiaries who holds salaried employment with the Company or its subsidiaries on a full or part time basis), or a consultant, who is determined by the Board to be eligible to receive grants of Options under the IOP (**Eligible Participants**).

7.2 Approvals required

Pursuant to the ASX Listing Rule 7.2 (Exception 9), this Resolution seeks Shareholder approval for the issue of Options under, and pursuant to, the rules of the IOP as an exception to ASX Listing Rule 7.1 for 3 years.

If this Resolution is passed, the Company will be able to grant Options to Eligible Participants (or their approved nominee) under the IOP which may result in the issue of Shares, or the provision of a cash payment of equivalent value, to those Eligible Participants on exercise of the Options following achievement of the vesting conditions of the Options (if any). The vesting conditions applicable to any particular Option to be issued under the IOP may vary and will be set at the time of grant at the discretion of the Board and under the terms of the IOP.

It is considered by the Directors that the adoption of the IOP and the future grant of Options, resulting in cash payments or issue of Shares under the IOP will provide Eligible Participants with the opportunity to participate in the future growth of the Company. In the case of the grant to a director of Options under the IOP, the acquisition of these securities will require Shareholder approval in accordance with ASX Listing Rule 10.14.

The Company will take reasonable steps to ensure that:

- a) The total numbers of Shares which are the subject of unexercised Options granted under the IPO, when aggregated with the Shares which have been issued on exercise of the Options granted under the IOP, during the three years preceding the date on which an Option is issued, do not exceed ten per cent (10%) percent of the total number of issued Shares in the capital of the Company at the date of issue of any Option; and
- b) The number of Shares which are the subject of unexercised Options granted under this IOP when aggregated with the number of Shares which are the subject of unexercised Options granted under this IOP in the preceding 5 years (or any other employee share plan extended only to Eligible Employees) and the number of Shares that would be issued if each unexercised option granted under this IOP or under any other employee incentive scheme of the Company were to be exercised or accepted, does not exceed 5% of the total number of Shares on issue at the time of an Offer (but disregarding any offer of Shares or options to acquire Shares that can be disregarded pursuant to the Class Order).

A summary of the terms and conditions of the IOP is set out in Section 7.4.

7.3 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period that that

amount that represents 15% of the number of fully paid ordinary securities on issue on the commencement of that 12 month period.

One of the exceptions to ASX Listing Rule 7.1 is ASX Listing Rule 7.2 (Exception 9), which provides that ASX Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if, within the 3 years before the date of issue, shareholders have approved the issue of the securities as an exception to ASX Listing Rule 7.1.

If this Resolution is passed, the Company will be able to issue Options to directors (which will require separate Shareholder approval in accordance with ASX Listing Rule 10.14 at the relevant time), and employees of the Company pursuant to the IOP during the period of 3 years after the Meeting (or a longer period, if allowed by ASX), and to issue Shares to those persons if they achieve the vesting conditions of the Options issued, without using the Company's 15% rolling 12 month placement capacity.

7.4 Summary of terms of the IOP

A summary of the terms of the IOP is set out below. The full terms and conditions of the IOP may be obtained free of charge by contacting the Company Secretary.

- (a) Eligibility and grant of Options: Options may be granted at the discretion of the Board to any director, contractor, full time, part time or casual employee of the Company or related body corporate (Eligible Participant).
- (b) Invitation to apply for Options: the Board may provide a written invitation to the Eligible Participant to apply for Options upon the terms set out in the IOP and upon such additional terms and conditions as the Board determines (Offer). The invitation document must specify:
 - (i) the maximum number of Options that the Eligible Participant may apply for, or the formula for determining the maximum number of Options that may be applied for;
 - (ii) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Option or the formula for determining the maximum number of Shares;
 - (iii) any applicable vesting conditions;
 - (iv) any restriction period applied by the IOP or that the Board has resolved to apply to Shares issued on exercise of the Options;
 - (v) the expiry date of the Options (Expiry Date);
 - (vi) the date by which an application for Options must be received by the Company; and
 - (vii) any other information required by law or the ASX Listing Rules.
- (c) Number of Options Offered: the number of Options which an Eligible Participant is invited to apply for pursuant to an Offer is within the discretion of the Directors. Each Option will, upon exercise of a vested Option, entitle the holder to receive, at the absolute discretion of the Board, either one (1) Share in the capital of the Company, or a cash payment of equivalent value.

- (d) Cashless Exercise Facility: Subject to Board approval, a Participant may set-off the Option exercise price (if any) against the number of Shares which the Participant is potentially entitled to receive upon exercise of the Options. The Participant will then receive, at the absolute discretion of the Board, either Shares or a cash payment to the value of the surplus after the Option exercise price has been set-off.
- (e) Vesting Conditions: An Option may be made subject to vesting conditions as determined by the Board in its discretion and as specified in the Offer for the Option.
- (f) Option Exercise Price: subject to any minimum price required by the ASX Listing Rules, the Board may determine the exercise price (if any) for an Option the subject of an Offer in its absolute discretion.
- (g) Consideration: Options issued under the IOP will be issued for no more than nominal cash consideration.
- (h) Escrow: A Share issued on exercise of an Option may be subject to a restriction period.
- (i) Quotation: Options will not be quoted on the ASX.
- (j) Lapse of Offer: to the extent that an application for Options is not received by the Company by a specified date (Closing Date), the Offer will lapse on the date following the Closing Date.
- (k) Shares Allotted Upon Exercise of Options: The Company will issue or transfer Shares, or make a cash payment, to the Participant, within ten (10) days of receipt of a valid notice of exercise of vested Options. The Shares allotted under the IOP will be of the same class and will rank equally with Shares in the Company at the date of issue. The Company will seek listing of the new Shares on ASX within the time required by ASX Listing Rules.
- (l) Transfer of Options: An Option is non-transferable other than in special circumstances (if the holder suffers death or total and permanent disability, retirement, redundancy, severe financial hardship, or other circumstances determined in the Board's discretion or specified in the relevant Offer) with the consent of the Board. Options are otherwise transferable upon the holder's death to their legal personal representative or upon the holder's bankruptcy to their trustee in bankruptcy.
- (m) Transfer of Shares: The Board may, in its discretion, determine that a restriction period will apply to some or all of the Shares issued on exercise of Options, and Shares shall be subject to a restriction period to the extent necessary to comply with any escrow restrictions imposed by the ASX Listing Rules.
- (n) Lapse of Options: an Option shall lapse when:
 - (i) an unauthorised dealing in the Option occurs, or the holder engages in fraud, dishonesty or other improper behaviour;
 - (ii) a vesting condition in relation to the Option is not satisfied by the due date, or becomes incapable of satisfaction;

- (iii) in respect of an unvested Option only, the relevant person ceases to be an Eligible Participant, subject to the Board's discretion to waive the lapsing of Options in special circumstances;
- (iv) in respect of a vested Option only, a relevant person ceases to be an Eligible Participant and the Board resolves that the Options granted in respect of that relevant person must:
 - (A) be exercised within a specific period, and the Option is not exercised within that period; or
 - (B) be cancelled by the Company in consideration for a cash payment to the Participant, and a cash payment is made;
- (v) the Company undergoes a change of control or a winding up resolution or order is made; or
- (vi) the Option has not been exercised by the Expiry Date.
- (o) Change of Control: If a company (Acquiring Company) obtains control of the Company as a result of a change of control the Company the vesting conditions are deemed to be automatically waived.
- (p) Capital Reconstruction: in the event of a capital reconstruction, the exercise price and/or number of Options will change to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (q) Participation in New Issues: There are no participating rights or entitlements inherent in the Options and the holders will not be entitled to participate in new shares of capital offered to Shareholders during the currency of the Options without exercising the Options. In addition holders of Options will not be entitled to vote or receive dividends as a result of their holding of Options.

GLOSSARY

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria.

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

ASX means ASX Limited or the market operated by it, as the context requires.

Chair means the chair of the Meeting.

Class Order means ASIC Class Order 14/1000 (or any amendment to or replacement of that Class Order).

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).

Company means UltraCharge Limited ACN 140 316 463.

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

IOP means Incentive Option Plan as described in section 7.4 of the Explanatory Memorandum.

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.

Lead Manager means Armada Capital & Equities Pty Ltd ACN 121 843 025.

Lead Manager Option means an option to acquire a Share (by way of allotment) in the Company, the terms of which are set out in section 5.3 of the Explanatory Memorandum.

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 (by way of allotment) in the Company, pursuant to the IOP, the terms of which are set out in section 7.4 of the Explanatory Memorandum.

Placement means the capital raising placement the subject of Resolutions 1 and 2.

Proxy Form means the proxy form accompanying the Notice.

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

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

Shareholder means a holder of a Share.

Placement Shares means that Shares the subject matter of Resolutions 1 and 2.

SCHEDULE

The terms and conditions attaching to the *advisor options* are set out below:

(a) **Entitlement:**

Each *advisor option* will entitle the holder to subscribe for one *share*. All *shares* issued on the exercise of the *advisor options* will rank equally in all respects with the *company's* existing *shares*.

(b) **Exercise price:**

Each *advisor option* shall entitle the holder to acquire one *share* on payment of the sum of \$0.05 (***exercise price***) to the *company*.

(c) **Exercise of options:**

The *advisor options* will expire at 5.00pm WST on 30 June 2020 (***expiry date***). The *advisor options* may be exercised, in whole or in part, at any time prior to the *expiry date*, by completing and delivering a duly completed form of notice of exercise to the registered office of the *company* together with the payment of the *exercise price* in immediately available funds for the number of *shares* in respect of which the *advisor options* are exercised. An *advisor option* not exercised on or before the *expiry date* will lapse. *Shares* issued pursuant to the exercise of *advisor options* will be issued, and a holding statement or share certificate provided to the holders of *advisor options* in respect of those *shares*, on the above terms and conditions not more than 15 *business days* after the receipt of a duly completed form of notice of exercise and the *exercise price* in immediately available funds in Australian dollars in respect of the *advisor options* exercised.

(d) **Quotation:**

Application will not be made to *ASX* for official quotation of the *advisor options*. Provided the *company* is listed on *ASX* at the time, application will be made for official quotation of the *shares* issued on exercise of *advisor options* not later than 15 *business days* after the date of issue. If required, the *company* will give *ASX* a notice that complies with section 708A(5)(e) of the *Corporations Act*, or, if such a notice is for any reason not able to be delivered to ensure that an offer for sale of the *shares* does not require disclosure to investors, the *company* must, no later than 20 *business days* after becoming aware of such notice being ineffective, lodge with *ASIC* a prospectus prepared in accordance with the *Corporations Act* and do all such things necessary to satisfy section 708A(11) of the *Corporations Act* to ensure that an offer for sale of the *shares* does not require disclosure to investors.

(e) **Transfer:**

The *advisor options* are transferable subject to any restriction or escrow arrangements imposed by *ASX* or under applicable Australian securities laws.

(f) **Participation and entitlements:**

There are no participating rights or entitlements inherent in the *advisor options* and holders will not be entitled to participate in new issues of securities offered to *shareholders* during the currency of the *advisor options*. However, the *company* must give notice to the holders of *advisor options* of any new issue before the record date for determining entitlements to the issue in accordance with the *listing rules* so as to give holders the opportunity to exercise their *advisor options* before the date for determining entitlements to participate in any issue.

(g) **Reorganisation of share capital:**

In the event of a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the *company*, all rights of holders of *advisor options* shall be changed to the extent necessary to comply with the *Corporations Act* and the *listing rules* applying to a reorganisation of capital at the time of the reorganisation.

(h) **Bonus issue:**

If, from time to time, before the expiry of the *advisor options* the *company* makes a pro-rata issue of *shares* to *shareholders* for no consideration (***bonus issue***), the number of *shares* over which an *advisor option* is exercisable will be increased by the number of *shares* which the holder would have received if the *advisor option* had been exercised before the record date for the *bonus issue*.



ULTRACHARGE

Ultracharge Limited | ACN 140 316 463

GM Registration Card

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Vote by Proxy: UTR

Your proxy voting instruction must be received by **4.00pm (AEST) on Wednesday, 15 August 2018**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.



- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.

SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal:

<https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

VOTING UNDER STEP 1 - APPOINTING A PROXY

If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chairman of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided

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

Joint holding: Where the holding is in more than one name, all of the Shareholders 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 Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided. **By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

ATTENDING THE MEETING

Completion of a Proxy Voting Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Voting Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

POWER OF ATTORNEY

If a representative as power of attorney of a Shareholder of the Company is to attend the Meeting, a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms.

CONTACT

Return your completed form:



BY MAIL
 Automic Registry Services
 PO Box 2226
 Strawberry Hills NSW 2012



IN PERSON
 Automic Registry Services
 Level 3, 50 Holt Street,
 Surry Hills NSW 2010

Contact us – All enquiries to Automic:



WEBCCHAT
<https://automic.com.au/>



EMAIL
hello@automic.com.au



PHONE
 1300 288 664 (Within Australia)
 +61 2 9698 5414 (Overseas)

STEP 1: Please appoint a Proxy

Complete and return this form as instructed only if you do not vote online

I/We being a Shareholder entitled to attend and vote at the Extraordinary General Meeting of Ultracharge Limited, to be held at **4.00 pm (AEST) on Friday, 17 August 2018 at Seasons Botanic Gardens Melbourne, 348 St Kilda Road, Melbourne, Victoria 3004** hereby:

Appoint the Chairman of the Meeting (Chair) OR if you are not appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.
 Unless indicated otherwise by ticking the "for," "against" or "abstain" box you will be authorising the Chair to vote in accordance with the Chair's voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS
 Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 5 (except where I/we have indicated a different voting intention below) even though Resolution 5 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2: Your Voting Direction

Resolutions	For	Against	Abstain
1. Ratification of prior issue – Placement Shares Pursuant to ASX Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of prior issue – Placement Shares Pursuant to ASX Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of prior issue – Lead Manager Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval to issue Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval of issue of Shares to Kobi Ben-Shabat	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Adoption of Incentive Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3: Sign

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name..... Contact Daytime Telephone..... Date ____/____/____

Email Address _____

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).