



# Notice of Annual General Meeting and Explanatory Memorandum

## Phoslock Environmental Technologies Limited

ACN 099 555 290

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Date: Friday 27 May 2022

Time: 10:30 am

Venue: Chapel Suite, The Como Melbourne, 630

Chapel Street, South Yarra VIC 3141

Online at: <https://meetnow.global/MMW95GA>

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# Phoslock Environmental Technologies Limited

## ACN 099 555 290

Dear Phoslock Shareholder,

I am pleased to invite you to attend the 2022 Annual General Meeting of Phoslock Environmental Technologies Limited (**Company** or **Phoslock**) to be held at 10:30 am on Friday, 27 May 2022. The Annual General Meeting will be held as a hybrid meeting at Chapel Suite, The Como Melbourne, 630 Chapel Street, South Yarra VIC 3141 or online at: <https://meetnow.global/MMW95GA>. Shareholders will therefore have the opportunity to attend the Annual General Meeting in person or virtually.

As the health and safety of Phoslock's shareholders, employees and other meeting attendees is of paramount importance to us, please do not attend the Annual General Meeting in person if you feel unwell or have been in contact with someone who may have COVID-19. Further, Phoslock will be observing any social distancing or other government requirements that apply to meetings based on the COVID-19 situation prevailing at the time.

I enclose your Notice of Meeting, Explanatory Memorandum, Proxy Form and the Company's 2021 Annual Report (for those Shareholders who have specifically elected to receive a hard copy). The Notice of Meeting (including the Explanatory Memorandum) sets out the items of business for the Annual General Meeting. Please take the time to carefully read these documents.

To help you understand what the Notice of Meeting contains, below is a brief outline of the items of business that are proposed for the Annual General Meeting:

- 1. Consideration of the 2021 Annual Report of the Company**
- 2. Adoption of the Company's Remuneration Report (Resolution 1)**
- 3. Re-election of Ms Brenda Shanahan AO as a Director of the Company (Resolution 2)**
- 4. Fresh election of Directors (conditional resolution) (Resolution 3)**
- 5. Other Business**

As in previous years, the business of the Annual General Meeting will include a Resolution (which is advisory only) in relation to the Remuneration Report (Resolution 1). However, this year, as more than 25% of Shareholders voted against the 2020 remuneration report at the 2021 annual general meeting of Phoslock (known as a "first strike"), if Resolution 1 receives a 25% or more vote against (known as a "second strike"), a further conditional Resolution (Resolution 3) will be required to be voted on by Shareholders. If validly passed, Phoslock will be required to convene a separate general meeting of Shareholders to consider fresh elections for Directors. Please refer to the Explanatory Memorandum for further details.

If you wish to vote on the items of business detailed in the Notice of Meeting and briefly outlined above, you may attend the Annual General Meeting in person or online. In the case of a body corporate, attendance can be by representative or by appointing a proxy or attorney to vote on your behalf.

All Resolutions to be considered to the Annual General Meeting will be decided by way of a poll.

If appointing a proxy, the accompanying Proxy Form should be completed and returned to the Company (see Proxy Form for details) as soon as possible, but no later than 10.30 am on Wednesday, 25 May 2022. You are encouraged to direct your proxy how to vote on each item of business including if you appoint me, the Chair of the Annual General Meeting, as your proxy.

Shareholders who plan to attend the Annual General Meeting in person should take heed of any government warnings or advice regarding the COVID-19 pandemic and monitor Phoslock's website for any updates about the Annual General Meeting including its format and location. Any changes will be posted on Phoslock's website and announced to ASX.

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If you have any queries in relation to the Annual General Meeting, please contact the Company Secretary, Mr Matthew Parker at Unit D, Level 2, Como Centre, 650 Chapel Street, South Yarra, Victoria 3141 or email him at [ir@phoslock.com.au](mailto:ir@phoslock.com.au).

Yours sincerely,



**David Krasnostein AM**  
**Chairman**  
**Melbourne, Australia**

**22 April 2022**



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# Notice of Annual General Meeting

**NOTICE** is given that the 2022 Annual General Meeting of Phoslock Environmental Technologies Limited ACN 099 555 290 (**Phoslock** or **Company**) will be held at 10:30 am on Friday, 27 May 2022. The Annual General Meeting will be held at Chapel Suite, The Como Melbourne, 630 Chapel Street, South Yarra VIC 3141 or online at: <https://meetnow.global/MMW95GA>.

The Explanatory Memorandum accompanying this Notice of Meeting is incorporated in, and forms part of, this Notice of Meeting. The Explanatory Memorandum has been prepared to provide Shareholders with an explanation of the items of business and the Resolutions to be proposed and considered at the Annual General Meeting and should be read in conjunction with this Notice of Meeting.

All documents should be read in their entirety. If you are in any doubt about what to do, you should consult your legal, financial or other professional adviser.

## Agenda

### Business

#### Item 1. Financial and other Reports

To receive and consider the following reports of the Company for the financial year ended 31 December 2021:

- the Annual Financial Report;
- the Directors' Report; and
- the Auditor's Report.

*There is no vote on this item of business.*

#### Item 2. Adoption of Remuneration Report (Resolution 1) – advisory resolution only

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

*“That, for the purposes of section 250R(2) of the Corporations Act, the Remuneration Report for the Company for the financial year ended 31 December 2021 be adopted.”*

Under the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company. However, please refer to the Explanatory Memorandum for an explanation of the consequences of 25% or more of eligible votes being cast against this advisory resolution.

#### Item 3. Re-election of Ms Brenda Shanahan AO as a Director of the Company (Resolution 2)

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

*“That Ms Brenda Shanahan AO, who retires in accordance with the constitution of the Company, and being eligible for re-election, is now elected, and confirmed in office, as a Director of the Company.”*

#### Item 4. Resolution to hold a meeting for fresh election of Directors (Resolution 3) – conditional resolution

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

*“Subject to and conditional upon at least 25% of the votes validly cast on Resolution 1 (Remuneration Report) being cast against the adoption of the Remuneration Report that:*

- (a) an extraordinary general meeting of the Company (**Spill Meeting**) be held within 90 days of the passing of this Resolution;*
- (b) all of the Directors in office when the Board resolution to make the Director's Report for the financial year ended 31 December 2021 was passed (other than the Managing Director) and who remain in office at the time of the Spill Meeting cease to hold office immediately before the end of the Spill Meeting; and*

(c) *resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”*

This Resolution is only required to be put to the Meeting if at least 25% of the votes validly cast on Resolution 1 are against that Resolution. However, as the results of the poll will not be known at the time of the Meeting, a poll will be taken on Resolution 3 regardless. Refer to the Explanatory Memorandum for further information on this Resolution.

## Item 5. Other Business

To conduct or transact any other business that may be properly brought before the Annual General Meeting.

### Voting Exclusion Statement

In accordance with the Corporations Act, a vote on Resolutions 1 and 3 must not be cast:

- in any capacity, by or on behalf of a member of the Company's Key Management Personnel (**KMP**), details of whose remuneration are included in the Remuneration Report of the Company or a Closely Related Party of such a member; or
- as a proxy by a member of the KMP at the date of the Meeting or a Closely Related Party of such a member.

However, under the Corporations Act, this voting exclusion does not apply to a vote if:

- it is cast by a person as a proxy appointed in writing by a person entitled to vote that specifies how the proxy is to vote on Resolution 1 or 3; or
- it is cast by the person chairing the meeting as a proxy appointed in writing by a person entitled to vote and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

If you intend to appoint a member of the KMP (such as one of the Directors) or a Closely Related Party of such a member as your proxy, please ensure that you direct them how to vote on Resolutions 1 and 3. If you intend to appoint the Chair of the Meeting as your proxy, you can direct him how to vote by marking the appropriate box in the Proxy Form for Resolutions 1 and 3 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Resolutions 1 and 3 and give the Chair your express authority to vote your undirected proxy as he sees fit even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of the KMP (in which case, the Chair will vote **in favour of** Resolution 1 and **against** Resolution 3).

If the Chair of the Meeting is appointed, or taken to be appointed, as a proxy and the Shareholder does not direct the proxy how to vote, then by completing and returning the Proxy Form, the Shareholder will be expressly authorising the Chair to vote as he sees fit, even though Resolutions 1 and 3 are connected directly or indirectly with the remuneration of a member of the KMP.

## Questions and Comments by Shareholders

A reasonable opportunity will be given to Shareholders as a whole at the Annual General Meeting to ask questions about or make comments on the Company's 2021 Annual Report, the Remuneration Report and the management or performance of the Company and to ask the Auditor or their representative questions relevant to the conduct of the audit, the preparation and content of their Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of its 2021 Annual Report and the Auditor's independence in relation to the conduct of the audit.

### By Order of the Board



**Matthew Parker**  
**Company Secretary**  
**Melbourne, Australia**  
**22 April 2022**

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## Voting and Proxies

### 1. Determination of Shareholding and Voting Entitlement

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Directors have determined that the Shares will be taken, for the purpose of determining those persons entitled to attend and vote at the Annual General Meeting, to be held by the persons who are registered as holding them as at 7.00 pm on Wednesday, 25 May 2022.

Accordingly, transactions registered after that time will be disregarded when determining entitlements to attend and vote at the Annual General Meeting.

### 2. Voting by Members at Annual General Meeting

On a show of hands, each Shareholder present in person or by proxy or attorney or, in the case of a body corporate, by a representative at the Annual General Meeting will have one vote. On a poll, every Shareholder present in person or by proxy or attorney or, in the case of a body corporate, by a representative will have one vote for each Share held by him or her.

Voting on each Resolution will be conducted by way of a poll.

### 3. Important Voting Information

The Company encourages all Shareholders who submit proxies to direct their proxy including if your proxy is the Chair of the Meeting how to vote on the Resolutions.

The Chair of the Annual General Meeting intends to vote all undirected proxies **in favour of** Resolutions 1 and 2 and **against** Resolution 3 subject to any voting restrictions or exclusions. However, the Chair of the Meeting is not permitted to vote an undirected proxy on Resolution 1 (Remuneration Report) or Resolution 3 (Fresh election of Directors) unless the proxy expressly authorises the Chair to exercise the proxy on such Resolution even if it is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

If there is a change in how the Chair intends to vote undirected proxies at the Meeting, the Company will make an appropriate announcement to ASX stating that fact and explaining the reasons for the change.

In respect of Resolution 1 or 3, if you intend to appoint a member of the KMP (such as one of the Directors other than the Chair) or a Closely Related Party of such a member as your proxy, please ensure that you direct them how to vote on that Resolution by marking the appropriate box for that Resolution in the Proxy Form.

If you intend to appoint the Chair as your proxy for Resolution 1 or 3, you can direct the Chair how to vote by marking the appropriate box for that Resolution in the Proxy Form. Alternatively, in relation to the Chair only, you can choose not to mark a box and give the Chair your express authority to exercise your undirected proxy even if the Resolution concerned is connected directly or indirectly with the remuneration of a member of the KMP (in which case, as outlined above, the Chair will vote **in favour of** Resolution 1 and **against** Resolution 3 subject to any voting restrictions or exclusions).

If the Directors or another KMP (other than the Chair) or a Closely Related Party is your proxy, and you fail to provide a voting direction as outlined above in relation to Resolution 1 or 3, your vote will not be cast in respect of each such Resolution.

### 4. How do I participate in the Meeting Online?

Shareholders must use the Computershare Meeting Platform to attend and participate in the Meeting online.

To participate in the Meeting, you can log in by entering the following URL <https://meetnow.global/MMW95GA> on your computer, tablet or smartphone.

Online registration will open approximately 30 minutes before the Meeting.

To make the registration process quicker, please have your SRN/HIN and registered postcode or country code ready.

Proxyholders will need to contact Computershare prior to the Meeting to obtain their login details.

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To participate in the Meeting online, please follow the instructions below.

- Click on 'Join Meeting Now'.
- Enter your SRN/HIN. Proxyholders will need to contact Computershare on +61 3 9415 4024 prior to the Meeting to obtain their login details.
- Enter your postcode registered to your holding, if you are an Australian Shareholder. If you are an overseas Shareholder, select the country of your registered holding from the drop down list.
- Accept the terms and conditions and 'Click Continue'.

You can view the Meeting live, ask questions verbally or via a live text facility and cast votes at the appropriate times while the Meeting is in progress

## 5. Proxies

A Shareholder who is entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on behalf of the Shareholder. Where the Shareholder is entitled to cast 2 or more votes, the Shareholder 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 each proxy may exercise, each proxy may exercise half of the votes (disregarding fractions).

A proxy need not be a Shareholder of the Company.

A Proxy Form accompanies this Notice of Meeting. If an additional proxy form is required, the Company's share registry, Computershare Investor Services Pty Limited will supply it on request (telephone 1300 855 080 (within Australia) or +61 3 9415 4000 (outside Australia)). The Proxy Form contains important information and other instructions which you should read carefully.

Any instrument of proxy deposited or received by the Company in which the name of the appointee is not filled in will be deemed to be given in favour of the Chair of the Meeting to which it relates.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions or signed by a duly authorised officer or attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the constitution of the Company to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit (subject to the exceptions set out above under "**Important Voting Information**" above).

To be effective, the instrument appointing a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of the power or authority) must be received by the Company not less than 48 hours prior to the Annual General Meeting, that is, by 10.30 am on Wednesday, 25 May 2022:

- at the Company's registered office, being Unit D, Level 2, Como Centre, 650 Chapel Street, South Yarra Victoria 3141;
- on-line by going to [www.investorvote.com.au](http://www.investorvote.com.au) and using your secure access information or by scanning the personalised QR Code, found on the accompanying Proxy Form, with your mobile device;
- by email ([ir@phoslock.com.au](mailto:ir@phoslock.com.au)) to the Company's registered office; or
- at the Company share registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 or by facsimile on fax number 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Any revocations of proxies must be received at one of these places before commencement of the Meeting, or at the registration desk for the Meeting.

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- **Bodies Corporate**

A Shareholder which is a body corporate and which is entitled to attend and vote at a meeting of Shareholders of the Company may appoint an individual as a representative to exercise all or any of the powers the body corporate may exercise at the meeting or in the capacity of a Shareholder's proxy. The appointment may be a standing one. Unless otherwise specified in the appointment, the representative may exercise, on that body corporate's behalf, all of the powers that the body could exercise at a meeting or in voting on a resolution. The representative must present satisfactory evidence that they are authorised to act as the body corporate's representative prior to admission to the Meeting.

- **Definitions**

Certain terms used in this Notice of Meeting and the Explanatory Memorandum are defined in the "Definitions" section of the Explanatory Memorandum. Those defined terms also apply to the accompanying Proxy Form, unless the context requires otherwise.



# Explanatory Memorandum

This Explanatory Memorandum has been prepared for the information of Shareholders of Phoslock Environmental Technologies Limited ACN 099 555 290 (**Company** or **Phoslock**) in connection with the business to be considered at the Annual General Meeting to be held at 10:30 am on Friday, 27 May 2022 at Chapel Suite, The Como Melbourne, 630 Chapel Street, South Yarra VIC 3141 or online at: <https://meetnow.global/MMW95GA>.

This Explanatory Memorandum is incorporated in, and forms part of, the Notice of Meeting. The purpose of this Explanatory Memorandum is to provide Shareholders with information relevant to the Resolutions to be put to Shareholders at the Annual General Meeting.

Certain terms used in this Explanatory Memorandum, the Notice of Meeting and the Proxy Form have the meaning given to them in the "Definitions" section located at the end of this Explanatory Memorandum, unless the context requires otherwise.

Details of the items of business to be considered at the Annual General Meeting are set out below and in the Notice of Meeting.

Your Directors recommend that Shareholders carefully read this Explanatory Memorandum and the Notice of Meeting in full before making a decision in relation to any of the Resolutions. If Shareholders are in any doubt about what to do, they should consult their legal, financial or other professional adviser.

## Item 1. Financial and other Reports

The Company's 2021 Annual Report is available online at the Company's website at [www.phoslock.com.au](http://www.phoslock.com.au) or the ASX's website at [www2.asx.com.au](http://www2.asx.com.au) (ASX code: PET).

For those Shareholders who have specifically requested a hard copy of the 2021 Annual Report be sent to them, a copy of the 2021 Annual Report is enclosed.

Section 317 of the Corporations Act requires the Annual Financial Report of the Company (which includes the Financial Statements and Directors' Declaration), the Directors' Report (which includes the Remuneration Report) and the Auditor's Report in respect of the financial year ended on 31 December 2021 to be laid before the Annual General Meeting.

Except for the non-binding advisory resolution in respect of the Remuneration Report (refer to Resolution 1 below), there is no requirement in either the Corporations Act or the Company's constitution for Shareholders to approve the Annual Financial Report, the Directors' Report or the Auditor's Report.

In accordance with the Corporations Act, Shareholders as a whole will be given a reasonable opportunity at the Annual General Meeting to ask questions about or make comments on these reports and on the management or performance of the Company.

The Auditor or a representative of the Auditor is required to attend the Meeting and will be available to take Shareholders' questions relevant to the conduct of the audit, the preparation and content of their Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of its 2021 Annual Report and the Auditor's independence in relation to the conduct of the audit.

## Item 2. Adoption of Remuneration Report (Resolution 1)

The Corporations Act requires listed entities to put a Remuneration Report relating to director and executive remuneration for each financial year to a resolution of members at their annual general meeting. The Remuneration Report for the Company is included in the Company's 2021 Annual Report.

Under section 250R(3) of the Corporations Act, the vote on the Remuneration Report is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and any comments made by Shareholders at the Meeting when considering the Company's future remuneration policies and practices.

If, at 2 consecutive annual general meetings of the Company, 25% or more of votes cast on a resolution that the Remuneration Report be adopted are against the adoption of the Remuneration Report, the Company will be required to put to Shareholders a resolution at the second annual general meeting

proposing the calling of an extraordinary general meeting to consider the election of Directors of the Company (known as a “**spill resolution**”).

If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting (known as a “**spill meeting**”) within 90 days of the spill resolution. All of the Directors who were in office when the Remuneration Report (being, the report laid before the second annual general meeting) was approved by the Board (other than the Managing Director) will cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting, those persons whose re-election as Directors is approved will remain Directors of the Company.

At the 2021 annual general meeting of Phoslock, greater than 25% of votes cast were against the resolution to adopt the 2020 remuneration report. As a result, the Company received what is known as a “first strike” under the applicable provisions in the Corporations Act.

If the votes against the Remuneration Report at this Annual General Meeting are 25% or more of the votes cast, Phoslock will receive what is known as a “second strike” and a spill resolution namely, Resolution 3 is required to be put to the Annual General Meeting. If Resolution 3 is passed, then it will be necessary for the Board to convene a spill meeting as outlined above.

In compliance with section 300A of the Corporations Act, the Remuneration Report sets out the Company’s policy for determining the nature and amount of remuneration for the Directors and specified executive officers of the Company. The Board has a policy of ensuring that remuneration paid to Directors and management is market competitive while at the same time aligned to the achievement of strategic objectives and the creation of value for Shareholders.

During this item of business, there will be opportunity for Shareholders at the Annual General Meeting to comment on and ask questions about the Remuneration Report. The Remuneration Report is available on pages 15 to 22 of the Company’s 2021 Annual Report.

Resolution 1 is proposed as an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of that Resolution. However, please refer above for an explanation of the consequences of 25% or more of eligible votes being cast against Resolution 1.

Shareholders’ attention is drawn to the voting exclusion statement in relation to Resolution 1 in the Notice of Meeting.

### ***Recommendation***

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, your Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

### **Item 3. Re-election of Ms Brenda Shanahan AO as a Director (Resolution 2)**

Under the constitution of the Company (which was adopted at the 2021 annual general meeting) a Director must not hold office for a continuous period in excess of 3 years or past the 3<sup>rd</sup> annual general meeting following the Director’s last election whichever is longer, without submitting for re-election.

As Ms B Shanahan was last re-elected as a Director at the 2019 annual general meeting of the Company, she is required to retire at this Annual General Meeting but is eligible for re-election.

Details of Ms B Shanahan’s experience and qualifications are set out on page 12 of the Company’s 2021 Annual Report.

Resolution 2 is proposed as an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders entitled to vote are in favour of the Resolution.

### ***Recommendation***

Your Directors (other than Ms B Shanahan as an abstention) unanimously recommend that Shareholders vote in favour of Resolution 2.

**Item 4. Resolution to hold a meeting for fresh election of Directors (Resolution 3) – conditional resolution.**

In accordance with the Corporations Act, Resolution 3 will only be required to be put to the Meeting if Phoslock receives a “second strike” with at least 25% of the votes validly cast on Resolution 1 (Remuneration Report) being cast against that Resolution. If less than 25% of the votes validly cast on Resolution 1 are cast against that Resolution, then there will be no “second strike” and the poll for this Resolution would not be required.

As it is probable that the results of the poll for Resolution 1 will not be known until after the conclusion of the Annual General Meeting, Shareholders will be asked to cast their vote conditionally on Resolution 3 at this Meeting. However, the results of the vote on Resolution 3 will only be valid if at least 25% of the votes validly cast on Resolution 1 are against that Resolution. Accordingly, unless the outcome of the vote on Resolution 1 results in a “second strike”, the conditional vote on Resolution 3 will be invalid and disregarded by the Company for all purposes.

If Resolution 3 is required to be put to a vote and is validly passed, it will have the effect as outlined below:

- Phoslock would be required to hold, within 90 days of this Meeting, an extraordinary general meeting of Shareholders, in order to consider the composition of the Board known as a **spill meeting**. If a spill meeting is required, details of the meeting will be notified to Shareholders in due course.
- Those of the following Directors who are in office at the time of the spill meeting will cease to hold office at the end of the spill meeting unless they are willing to stand for re-election and are re-elected at the spill meeting:
  - Mr D Krasnostein AM
  - Ms B Shanahan AO (assuming she is re-elected)
  - Mr B Sechos
  - Mr R Prosser.
- The Directors listed above are those who held office on the date when the Directors’ Report for the year ended 31 December 2021 (which included the Remuneration Report) was approved. Each of the listed Directors would be eligible to seek re-election at any spill meeting but there is no assurance that any or all of them will do so; and
- Mr L McKinnon, the Managing Director of Phoslock, is not required to stand for re-election at any spill meeting. If any new Directors were to be appointed before the spill meeting, they would not need to stand for election at any spill meeting to remain in office.

Resolutions to appoint persons to the offices that would be vacated immediately before the end of the spill meeting would be put to the vote at that meeting. Eligibility for election as a Director at any spill meeting would be determined in accordance with the constitution of Phoslock.

When considering this item of business, the Directors consider the following factors to be relevant to a Shareholder’s decision on how to vote on this conditional Resolution:

- the Board’s response to the first strike received at the 2021 annual general meeting of the Company which is set out in the 2021 Annual Report;
- the additional costs of, and uncertainty and disruption caused by, convening an additional general meeting of Shareholders which the Board does not consider to be in the best interests of Phoslock or its Shareholders;
- the current Board has the skills and experience required to provide effective oversight of Phoslock and to seek to have the suspension of Phoslock’s Shares lifted;

- each non-executive Director has previously been elected as a director of the Company with Mr D Krasnostein AM, Mr R Prosser and Mr B Sechos having been elected at the 2021 annual general meeting to the Company held in May 2021;
- Shareholders have the opportunity at this Annual General Meeting to decide whether or not to re-elect Ms B Shanahan AO as a Director; and
- there is no assurance that any or all of the Directors would stand for re-election at the spill meeting.

Subject to at least 25% of the votes validly cast on Resolution 1 being against that Resolution, Resolution 3 is proposed as an ordinary resolution and will be passed if more than 50% of the votes cast by Shareholders are in favour of the Resolution.

Shareholders' attention is drawn to the voting exclusion statement in relation to Resolution 3 in the Notice of Meeting.

### **Recommendation**

Noting that Directors have an interest in the outcome of this Resolution, your Directors unanimously recommend that Shareholders vote against Resolution 3.

## Definitions

Unless the context requires otherwise, the following terms shall have the following meanings in this Explanatory Memorandum, the Notice of Meeting and the Proxy Form:

- (1) **Annual General Meeting or Meeting** means the 2021 Annual General Meeting of the Company convened by the Notice of Meeting.
- (2) **ASX** means ASX Limited ACN 008 624 691 or, as the context requires, the market operated by it.
- (3) **Auditor** means the auditor of the Company.
- (4) **Board** means the board of directors of the Company.
- (5) **Closely Related Party** has the meaning given in section 9 of the Corporations Act and includes a spouse, dependent and certain other close family members of a KMP, as well as companies controlled by a KMP.
- (6) **Company or Phoslock** means Phoslock Environmental Technologies Limited ACN 099 555 290.
- (7) **Corporations Act** means the *Corporations Act 2001* (Cth).
- (8) **Directors** mean the directors of the Company from time to time.
- (9) **Explanatory Memorandum** means this explanatory memorandum which accompanies, and is incorporated as part of, the Notice of Meeting and includes any documents annexed to it or incorporated by reference.
- (10) **Key Management Personnel or KMP** means persons having authority and responsibility for planning, directing and controlling the activities of the Company and its controlled entities, directly or indirectly, including any Director (whether executive or otherwise).
- (11) **Meeting or Annual General Meeting** means the annual general meeting of the Company convened by the Notice of Meeting.
- (12) **Notice of Meeting** means the Notice of Annual General Meeting dated 22 April 2022 accompanying this Explanatory Memorandum.
- (13) **Proxy Form** means the proxy form accompanying this Explanatory Memorandum and the Notice of Meeting.
- (14) **Remuneration Report** means the Remuneration Report set out in the Directors' Report section of the Company's Annual Financial Report for the financial year ended 31 December 2021.
- (15) **Resolution** means a resolution including a special resolution set out in the Notice of Meeting.
- (16) **Shareholder** means any person or entity entered in the Company's register of members from time to time as the holder of Shares.
- (17) **Shares** means fully paid ordinary shares in the capital of the Company quoted on the ASX under the code "PET".

All references to time in the Notice of Meeting, this Explanatory Memorandum or Proxy Form are to Melbourne time.

Words importing the singular include the plural and vice versa.

A reference to gender is a reference to all genders.

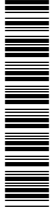
A reference to a person includes a reference to a body corporate and any other entity.

The meaning of general words is not limited by specific examples introduced by "including", "for example", "such as" or similar expressions.





Phoslock Environmental Technologies Ltd  
ABN 88 099 555 290

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



## Need assistance?

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

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



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:30am (Melbourne time) on Wednesday, 25 May 2022.**

# 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 PROXY FORMS

**Individual:** Where the holding is in one name, the securityholder must sign this form.

**Joint Holding:** Where the holding is in more than one name, this form may be signed by any one of the joint of the securityholders.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## PARTICIPATING IN THE MEETING

### Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

## Lodge your Proxy Form:

**XX**

### Online:

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

Your secure access information is



**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

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

### By Mail:

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

### By Fax:

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



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

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

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

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



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

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

XX

I/We being a member/s of Phoslock Environmental Technologies 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 Phoslock Environmental Technologies Limited to be held at Chapel Suite, The Como Melbourne, 630 Chapel Street, South Yarra VIC 3141 and online via the Computershare Meeting Platform on Friday, 27 May 2022 at 10:30am (Melbourne time) and at any adjournment or postponement of that meeting.

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

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business with the exception of Resolution 3 where the Chairman of the Meeting intends to vote against.**

**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 an item of business 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.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report (Resolution 1) – advisory resolution only	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Ms Brenda Shanahan AO as a Director of the Company (Resolution 2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Resolution to hold a meeting for fresh election of Directors (Resolution 3) – conditional resolution	<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 with the exception of Resolution 3 where the Chairman of the Meeting intends to vote against. 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

