
VOLT POWER GROUP LIMITED

ACN 009 423 189

NOTICE OF ANNUAL GENERAL MEETING

The 2020 Annual General Meeting of the Company will be held at the offices of BDO, Ground Floor, 38 Station Street, Subiaco, Western Australia on 29 July 2020 at 10.30am (AWST).

This Notice of Meeting and accompanying Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Managing Director by telephone on +61 8 439 888 103.

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ACN 009 423 189

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2020 Annual General Meeting of Shareholders of Volt Power Group Limited (**Company**) will be held at the offices of BDO, Ground Floor, 38 Station Street, Subiaco, Western Australia on 29 July 2020 at 10.30am (AWST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

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 as Shareholders on 27 July 2020 at 5pm (AWST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 7.

AGENDA

FINANCIAL REPORTS

To receive and consider the annual Financial Report, the Directors' Report and the Auditor's Report of the Company for the financial year ended 31 December 2019, which are contained within the Annual Report.

Note: This item of business is for discussion only and is not a Resolution.

1. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

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

“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the Company (which is contained in the Directors' Report in the Annual Report) for the financial year ended 31 December 2019 be adopted.”

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

Voting Exclusion

A vote on this Resolution must not be cast (in any capacity) by or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on this Resolution if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on this Resolution; or

- (b) the person is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

2. RESOLUTION 2 – RE-ELECTION OF MR SIMON HIGGINS AS A DIRECTOR

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

“That, for the purposes of clause 13.2 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Simon Higgins, who retires by rotation and is eligible for re-election as a Director, is so re-elected.”

3. RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES UNDER LISTING RULE 7.1

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 750,000,000 Shares on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue or any of their associates.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy or attorney for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) it is cast by the person chairing the Meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the person chairing the Meeting on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial, or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated 19 June 2020

BY ORDER OF THE BOARD



Peter Torre
Company Secretary

EXPLANATORY MEMORANDUM

1. INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of BDO, Ground Floor, 38 Station Street, Subiaco, Western Australia on 29 July 2020 at 10.30am (AWST) (**Meeting**).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on each Resolution.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

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

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. FINANCIAL REPORTS

The Corporations Act requires the annual Financial Report, Directors' Report, and the Auditor's Report to be received and considered at the AGM. A copy of the Annual Report can be accessed online at <https://voltpower.com.au/>

The Corporations Act does not require Shareholders to vote on the Annual Report. However, Shareholders attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the financial statements and reports contained within the Annual Report.

The Company's auditor, BDO Audit (WA) Pty Ltd, will be present at the Meeting and Shareholders will have the opportunity to ask the auditor questions in relation to the conduct of the audit, the preparation and content of the Auditor's Report, the Company's accounting policies and the independence of the auditor in relation to the conduct of the audit.

4. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

The Annual Report for the year ended 31 December 2019 contains the Remuneration Report which:

- (a) sets out the remuneration policy for the Company;
- (b) discusses the relationship between the remuneration policy and the Company's performance; and
- (c) details the remuneration arrangements of Key Management Personnel, including the Managing Director, senior executives and non-executive Directors.

The Remuneration Report is contained within the Directors' Report in the Company's Annual Report (pages 11 to 16) and can be found in the annual report section of the website at <https://voltpower.com.au/>.

Voting on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors or the Company. The Chair will allow reasonable opportunity for Shareholders to ask questions about, or comment on, the Remuneration Report at the meeting.

Section 250R(3) of the Corporations Act provides that the vote on the adoption of the Remuneration Report is for advisory purposes only and will not bind the Directors of the Company. However, under the Corporations Act if there are two consecutive votes at annual general meetings of the Company against the Company's remuneration report of 25% or more (each year's votes being considered a **Strike**), at the second consecutive annual general meeting at which a Strike occurs (**Second Strike**), a resolution must be put to Shareholders to hold another meeting where each Director is nominated for re-election (**Spill Resolution**). If the Spill Resolution is passed, then the Company is required to hold an additional general meeting (**Further Meeting**) within 90 days of the Spill Resolution. At the Further Meeting all Directors (excluding the Managing Director) must be nominated for re-election.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Section 250R(4) of the Corporations Act prohibits any votes on this Resolution being cast by Key Management Personnel (or their associates) whose remuneration details are disclosed in the Remuneration Report. However, an exception to this prohibition exists to enable the Chair to vote Shareholders' undirected proxy votes. In this regard, you should specifically note that if you appoint the Chair as your proxy and you indicate on the Proxy Form you do not wish to specify how the Chair should vote on Resolution 1, the Chair will cast your votes in favour of Resolution 1. **If you wish to appoint the Chair as your proxy but do NOT want your votes to be cast in favour of Resolution 1, you must indicate your voting intention by marking either 'against' or 'abstain' against Resolution 1 in the Proxy Form.**

5. RESOLUTION 2 – RE-ELECTION OF MR SIMON HIGGINS AS A DIRECTOR

Clause 13.2 of the Constitution requires that at each annual general meeting of the Company, one third of the Directors (to the nearest whole number), must retire from office. Clause 13.2 also provides that a retiring Director is eligible for re-election.

Pursuant to Listing Rule 14.4, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. Listing Rule 14.5 provides that an entity must hold an election of directors at each annual general meeting.

Mr Simon Higgins retires in accordance with Clause 13.2 of the Constitution and, being eligible, offers himself for re-election.

Mr Higgins is currently the Chief Executive Officer and Managing Director of the ECM group of companies. ECM is a leading, privately owned construction and maintenance company servicing clients in the mining, oil and gas, power generation and infrastructure sectors.

During his tenure at ECM, Mr Higgins has overseen significant growth and development, including the diversification of service offering, entry into the oil and gas sector and interstate and intrastate expansion.

Mr Higgins is a past chairman of the National Electrical and Communications Association (NECA) WA, Electrical Group Training and the College of Electrical Training.

Mr Higgins is not considered to be an independent Non-Executive Director due to his substantial shareholding in the Company.

The Board (with the exception of Mr Higgins) recommends Shareholders vote in favour of Resolution 2.

6. RESOLUTION 3 – RATIFICATION OF ISSUE OF SHARES UNDER LISTING RULE 7.1

6.1 Background

On 18 November 2019, the Company announced a capital raising for the issue to sophisticated and professional investors of a total of up to 750,000,000 Shares (**Placement Shares**) to raise a total of \$0.75 million (the **Placement**).

The funds raised from the Placement were for working capital in anticipation of the near-fleet expansion potential of its EcoQuip Mobile Solar Light and Communications Tower and Wescone crushing equipment businesses.

The Placement Shares were issued out of the Company's Listing Rule 7.1 capacity on 25 November 2019.

6.2 General

Resolutions 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

6.3 Listing Rule 7.1

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The Placement did not fall within any of the specified exceptions to Listing Rule 7.1 and therefore was completed as part of the Company's 15% placement capacity under Listing Rule 7.1.

6.4 Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of Equity Securities made without prior shareholder approval under Listing Rule 7.1, provided the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1.

The Company confirms the issue of the Placement did not breach Listing Rule 7.1.

The Company wishes to ratify the issue of the Placement pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital under Listing Rule 7.1. If Shareholders do not ratify the Placement, the Company will be required to wait until the expiration of 12 months from the date of the Placement to restore the right to place a further 15% of its issued capital.

6.5 Technical information required by Listing Rule 7.4

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in relation to Resolution 3:

- (a) on 25 November 2019 the Company issued 750,000,000 Placement Shares pursuant to Listing Rule 7.1;
- (b) the Placement Shares were issued for \$0.001 each, raising a total of \$750,000 (before costs);
- (c) the Placement Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (d) the Placement Shares were issued to sophisticated and professional investors who are clients of a range of stock brokers, predominately placed through Euroz Securities and Argonaut Securities (the **Brokers**), none of whom were related parties of the Company. The selection of such investors was undertaken by the Brokers through a bookbuild process which involved seeking expressions of interest to participate in the Placement. The Company also introduced a strategic investor, WA domiciled GenusPlus Group Pty Ltd ("**Genus**"), a national power and communications infrastructure contractor and service provider;
- (e) The funds raised from the Placement were for working capital in anticipation of the near-fleet expansion potential of its EcoQuip Mobile Solar Light and Communications Tower and Wescone crushing equipment businesses.
- (f) a voting exclusion statement for Resolution 3 is included in the Notice.

7. Definitions

In this Notice, Explanatory Memorandum and Proxy Form:

\$ means Australian Dollars (unless otherwise specified).

Associate has the meaning given in section 12 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

AWST means Western Standard Time, being the time in Perth, Western Australia.

Board means the board of Directors of the Company.

Chair means the person appointed to chair the Meeting or any part of the Meeting.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Volt Power Group Limited ACN 009 423 189.

Constitution means the Constitution of the Company in force as at the date of this Notice.

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

Director means a director of the Company.

Director's Report means the annual director's report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to this Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel has the meaning given to that term in the Corporations Act.

Listing Rules means the listing rules of ASX.

Managing Director means the managing Director of the Company.

Meeting or **AGM** has the meaning in the introductory paragraph of the Notice.

Notice or **Notice of Meeting** means this notice of Annual General Meeting and includes the Explanatory Memorandum.

Option means an option to acquire a Share.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Director's Report.

Resolution means a resolution contained in this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Schedule means a schedule to this Notice.

Shareholder means a shareholder of the Company.

VWAP means volume weighted average market price of a Share.