

BOARD

Simon Higgins
Non-Executive Chairman

Adam Boyd
CEO & Managing Director

Peter Torre
Non-Executive Director

ISSUED CAPITAL

9.170M Ordinary Shares
395M Unlisted Options

PRINCIPAL OFFICE

Level 1, 63 Abernethy Road
Belmont WA 6104

REGISTERED OFFICE

Unit B9, 431 Roberts Road,
Subiaco WA 6008

CONTACT

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CEO & Managing Director

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ASX ANNOUNCEMENT

5 March 2021

Issue of Employee Options and Proposed Option Issue to Directors

Volt Power Group Limited (Volt or Company) advises that it has issued Unlisted Options to acquire fully paid ordinary shares in the Company to its Lead Process Engineer, Mr Tim Banner.

Subject to Shareholder approval at the Company's 2021 Annual General Meeting, the Company also proposes to issue Unlisted Options to its directors.

Issue of Options to an Employee

The Board has resolved to issue a total of 180 million Employee Options in three equal Tranches, each with the following specific vesting conditions, exercise prices and expiry dates as detailed in Table 1.0 below.

Table 1.0 - Lead Process Engineer Options

Tranche	Option Number	Exercise Price	Exercise Conditions	Expiry Date
Tranche 1	60,000,000	0.378 cents	6-months continuous employment post date of issue	3 September 2022
Tranche 2	60,000,000	0.429 cents	12-months continuous employment post date of issue & First ATEN Construction Start	3 March 2024
Tranche 3	60,000,000	0.501 cents	12-months continuous employment post date of issue & First ATEN EPC Completion Test Satisfaction	3 September 2025
TOTAL	180,000,000			

The Options are being issued pursuant to the Company's Incentive Option Scheme and under the Company's 15% Placement Capacity under ASX Listing Rule 7.1. Shareholder Approval of the Incentive Options Scheme pursuant to the ASX Listing Rules will be sought at the Company's 2021 Annual General Meeting ("AGM") planned for May 2021. A copy of the Incentive Option Scheme is attached to this Volt ASX Announcement.

Also attached to this release is an Appendix 3G detailing other relevant information in respect to the issue of Employee Options.

Proposed Issue of Options to Directors

The Company also advises of a proposed issue of Unlisted Options to each of the directors of the Company. The proposed issue will be subject to shareholder approval at the Company's 2021 AGM.

ASX ANNOUNCEMENT (CONTINUED)



It is proposed that the Unlisted Options as detailed in Table 2.0 below be issued to Mr Adam Boyd as CEO and Managing Director of the Company.

Table 2.0 – CEO & Managing Director Options

Tranche	Option Number	Exercise Price	Exercise Conditions	Expiry Date
Tranche 1	100,000,000	Issue Date Share Price + 34%	6-months continuous employment date of issue	24-months from date of issue
Tranche 2	100,000,000	Issue Date Share Price + 43%	12-months continuous employment post date of issue & First ATEN Construction Start	36-months from date of issue
Tranche 3	100,000,000	Issue Date Share Price + 50%	12-months continuous employment post date of issue & 180-day VWAP* \geq 0.6 cents prior to Expiry Date	48-months from date of issue
TOTAL	300,000,000	-	-	-

* VWAP means 'Volume Weighted Average Price'.

It is further proposed that the following Unlisted Options as detailed in Table 3.0 below be issued to each of Mr Peter Torre and Mr Simon Higgins as Non-Executive Director and Chairman of the Company respectively.

Table 3.0 – Non-Executive Chairman & Director Options

Tranche	Option Number	Exercise Price	Exercise Conditions	Expiry Date
Tranche 1	30,000,000	Issue Date Share Price + 34%	6-months continuous employment date of issue	24-months from date of issue
Tranche 2	30,000,000	Issue Date Share Price + 43%	12-months continuous employment post date of issue & First ATEN Construction Start	36-months from date of issue
Tranche 3	30,000,000	Issue Date Share Price + 50%	12-months continuous employment post date of issue & 180-day VWAP* \geq 0.6 cents prior to Expiry Date	48-months from date of issue
TOTAL	90,000,000	-	-	-

The full terms and conditions and all other relevant information in respect to the proposed issue of Unlisted Options to Directors will be set out in the Company's AGM Notice of Meeting to Shareholders planned for dispatch later this month.

End

Issued by: Volt Power Group Limited (ACN 009 423 189)
Authorised by: The Board of Volt Power Group Limited

About Volt

Volt Power Group Limited (ASX: VPR) is a transitioning power generation and infrastructure asset / equipment developer and owner. The Company's businesses commercialise innovative proprietary equipment delivering "step change" client productivity and cost benefits achieving annuity earnings for the Company.

Business Activity Summary

These activities of our businesses include:

- **ATEN (100%)** – ATEN is a zero-emission waste heat to electricity generation equipment solution. The ATEN is at an advanced stage of initial commercialisation (Innovation Patent & Patent Pending). Refer below;
- **Wescone (100%)** – the proprietary owner of the globally unique Wescone W300 sample crusher predominantly deployed throughout the global iron ore sector. Wescone has a successful 25+ year operating track record and recently developed a new crusher with larger dimensional acceptance, reduction ratio and durability specifications;
- **EcoQuip (~67%)** – a developer and owner of a 'best in class' Mobile Solar Lighting & Communications Tower equipment solution incorporating robust design attributes including US military spec design & build quality, solar / lithium (LFP) battery and storage solution and advanced power management, data telemetry & control system capable of LED lighting, LTE Wi-Fi mesh repeater, point to point microwave, environmental monitoring and CCTV technology retro-fit; and
- **Acquisition / Development Strategy** – The Company actively pursues opportunities to expand its broader renewable and low emission power generation and infrastructure asset / equipment and project delivery capability footprint.

About the ATEN Technology (Patent Pending): The ATEN comprises a modular, power generation equipment package capable of harvesting 'low' grade industrial waste heat to generate zero emission baseload electricity.

ATEN generated electricity is expected to significantly reduce 'energy intensive' industry operating costs via the displacement of grid sourced electricity or fossil fuel usage associated with electricity generation.

The global industrial complex vents a significant quantity of 'low' grade waste heat to atmosphere. This quantity of unexploited waste heat presents an outstanding opportunity for the commercial roll-out of the ATEN Technology.

The ATEN's simple, high efficiency design and modular configuration - developed to maximise its integration capability - provides a low capex, uniquely compatible and scalable solution for the exploitation of 'low grade' industrial waste heat from multiple sources. Volt's priority target markets for the commercialization of the ATEN Technology include the resources and industrial processing sectors.

The salient ATEN Waste Heat to Power technology benefits that resonate with power station owners include:

- Baseload, zero emission incremental power generation (Scope 1 Emission reduction);
- Levelised Cost of Electricity (LCOE)* up to ~50% lower than gas and ~80% lower than diesel generation;

ASX ANNOUNCEMENT (CONTINUED)



- LCOE* ~25% - 50% lower than Solar / LFP Battery installations based on identical annual generation and zero emission performance;
- CAPEX ~60% lower than Solar / LFP Battery installations based on identical annual generation and zero emission performance;
- Zero cost compatibility with Solar and Hydrogen fuel transition solutions;
- Carbon Credits (CFI) Act 2011 Offset Project / ACCU eligibility; and
- Zero water & operational personnel requirements

* Levelised Cost of Energy (LCOE) is based on new zero emission capacity and variable costs of hydrocarbon fuelled generation (where relevant) using the ARENA LCOE calculation methodology @ 8% discount rate and 20-year project life including ACCUs (\$13/ACCU) and RECs (\$30/REC) as applicable.

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Appendix 3G

Notification of issue, conversion or payment up of equity +securities

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

If you are an entity incorporated outside Australia and you are issuing a new class of +securities other than CDIs, you will need to obtain and provide an International Securities Identification Number (ISIN) for that class. Further information on the requirement for the notification of an ISIN is available from the Create Online Forms page. ASX is unable to create the new ISIN for non-Australian issuers.

*Denotes minimum information required for first lodgement of this form, with exceptions provided in specific notes for certain questions. The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity <i>We (the entity here named) give notice of the issue, conversion or payment up of the following unquoted +securities.</i>	Volt Power Group Ltd
1.2	*Registration type and number <i>Please supply your ABN, ARSN, ARBN, ACN or another registration type and number (if you supply another registration type, please specify both the type of registration and the registration number).</i>	62009 423 189
1.3	*ASX issuer code	VPR
1.4	*This announcement is <i>Tick whichever is applicable.</i>	<input checked="" type="checkbox"/> A new announcement <input type="checkbox"/> An update/amendment to a previous announcement <input type="checkbox"/> A cancellation of a previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	N/A
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	N/A
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	N/A
1.5	*Date of this announcement	5 March 2021

Part 2 – Type of issue

Question No.	Question	Answer
2.1	<p>*The +securities the subject of this notification are:</p> <p><i>Select whichever item is applicable.</i></p> <p><i>If you wish to notify ASX of different types of issues of securities, please complete a separate Appendix 3G for each type of issue.</i></p>	<p><input type="checkbox"/> +Securities issued as a result of options being exercised or other +convertible +securities being converted and that are not to be quoted on ASX</p> <p><input type="checkbox"/> Partly paid +securities that have been fully paid up and that are not to be quoted on ASX</p> <p><input checked="" type="checkbox"/> +Securities issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><input type="checkbox"/> Other [please specify]</p> <p><i>If you have selected 'other' please provide the circumstances of the issue here:</i></p>
2.2a.1	<p>Please state the number and type of options that were exercised or other +convertible securities that were converted (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p>	N/A
2.2a.2	<p>And the date the options were exercised or other +convertible securities were converted:</p> <p><i>Answer this question if your response to Q2.1 is "securities issued as a result of options being exercised or other convertible securities being converted and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the options was exercised or convertible securities was converted.</i></p>	N/A
2.2b.1	<p>Please state the number and type of partly paid +securities that were fully paid up (including their ASX security code if available)?</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p>	N/A
2.2b.2	<p>And the date the +securities were fully paid up:</p> <p><i>Answer this question if your response to Q2.1 is "partly paid securities that have been paid up and that are not to be quoted on ASX".</i></p> <p><i>Note: If this occurred over a range of dates, enter the date the last of the securities was fully paid up.</i></p>	N/A

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2.2c.1	<p>Please state the number and type of +securities (including their ASX security code) issued under an +employee incentive scheme that are not being immediately quoted on ASX</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	180,000,000 Options						
2.2c.2	<p>*Please attach a document or provide details of a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	Incentive Option Scheme Attached						
2.2c.3	<p>*Are any of these +securities being issued to +key management personnel (KMP) or an +associate</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	No						
2.2c.3.a	<p>*Provide details of the recipients and the number of +securities issued to each of them.</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX" and your response to Q2.2c.3 is "Yes". Repeat the detail in the table below for each KMP involved in the issue. If the securities are being issued to the KMP, repeat the name of the KMP or insert "Same" in "Name of registered holder". If the securities are being issued to an associate of a KMP, insert the name of the associate in "Name of registered holder".</i></p> <table border="1" data-bbox="338 1173 1364 1272"> <thead> <tr> <th data-bbox="338 1173 675 1223">Name of KMP</th> <th data-bbox="675 1173 1048 1223">Name of registered holder</th> <th data-bbox="1048 1173 1364 1223">Number of +securities</th> </tr> </thead> <tbody> <tr> <td data-bbox="338 1223 675 1272"></td> <td data-bbox="675 1223 1048 1272"></td> <td data-bbox="1048 1223 1364 1272"></td> </tr> </tbody> </table>		Name of KMP	Name of registered holder	Number of +securities			
Name of KMP	Name of registered holder	Number of +securities						
2.2d.1	<p>*The purpose(s) for which the entity is issuing the +securities is:</p> <p><i>Answer this question if your response to Q2.1 is "Other".</i></p> <p><i>You may select one or more of the items in the list.</i></p>	<p><input type="checkbox"/> To raise additional working capital</p> <p><input type="checkbox"/> To fund the retirement of debt</p> <p><input type="checkbox"/> To pay for the acquisition of an asset [provide details below]</p> <p><input type="checkbox"/> To pay for services rendered [provide details below]</p> <p><input type="checkbox"/> Other [provide details below]</p> <p><i>Additional details:</i></p>						
2.2d.2	<p>Please provide any further information needed to understand the circumstances in which you are notifying the issue of these +securities to ASX, including (if applicable) why the issue of the +securities has not been previously announced to the market in an Appendix 3B</p> <p><i>You must answer this question if your response to Q2.1 is "Other". If there is no other information to provide, please answer "Not applicable" or "N/A".</i></p>	N/A						

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2.3	<p>*The +securities being issued are: <i>Tick whichever is applicable</i></p>	<p><input type="checkbox"/> Additional +securities in an existing unquoted class that is already recorded by ASX ("existing class")</p> <p><input checked="" type="checkbox"/> New +securities in an unquoted class that is not yet recorded by ASX ("new class")</p>
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Part 3A – number and type of +securities being issued (existing class)

Answer the questions in this part if your response to Q2.3 is "existing class".

Question No.	Question	Answer
3A.1	*ASX security code & description	N/A
3A.2	*Number of +securities being issued	N/A
3A.3a	*Will the +securities being issued rank equally in all respects from their issue date with the existing issued +securities in that class?	N/A
3A.3b	<p>*Is the actual date from which the +securities will rank equally (non-ranking end date) known?</p> <p><i>Answer this question if your response to Q3A.3a is "No".</i></p>	N/A
3A.3c	<p>*Provide the actual non-ranking end date</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "Yes".</i></p>	N/A
3A.3d	<p>*Provide the estimated non-ranking end period</p> <p><i>Answer this question if your response to Q3A.3a is "No" and your response to Q3A.3b is "No".</i></p>	N/A
3A.3e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> • in relation to the next dividend, distribution or interest payment; or • for any other reason <p><i>Answer this question if your response to Q3A.3a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p>	N/A

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Part 3B – number and type of +securities being issued (new class)

Answer the questions in this part if your response to Q2.3 is “new class”.

Question No.	Question	Answer
3B.1	*Security description	Unlisted Options in the following Tranches <ul style="list-style-type: none"> - 60,000,000 Options exercisable at \$0.00378, expiring on 3 September 2022, vesting upon 6 months continuous employment past date of issue; - 60,000,000 Options exercisable at \$0.00429, expiring on 3 March 2024, vesting upon 12 months continuous employment past date of issue, and First ATEN Construction Start; - 60,000,000 Options exercisable at \$0.00501, expiring on 3 September 2025, vesting upon 12 months continuous employment past date of issue and First ATEN EPC Completion Test Satisfaction;
3B.2	*Security type <i>Select one item from the list that best describes the securities the subject of this form. This will determine more detailed questions to be asked about the security later in this section. Select “ordinary fully or partly paid shares/units” for stapled securities or CDIs. For interest rate securities, please select the appropriate choice from either “Convertible debt securities” or “Non-convertible debt securities”. Select “Other” for performance shares/units and performance options/rights or if the selections available in the list do not appropriately describe the security being issued.</i>	<input type="checkbox"/> Ordinary fully or partly paid shares/units <input checked="" type="checkbox"/> Options <input type="checkbox"/> +Convertible debt securities <input type="checkbox"/> Non-convertible +debt securities <input type="checkbox"/> Redeemable preference shares/units <input type="checkbox"/> Other
3B.3	ISIN code <i>Answer this question if you are an entity incorporated outside Australia and you are issuing a new class of securities other than CDIs. See also the note at the top of this form.</i>	N/A
3B.4	*Number of +securities being issued	180,000,000
3B.5a	*Will all the +securities issued in this class rank equally in all respects from the issue date?	Yes
3B.5b	*Is the actual date from which the +securities will rank equally (non-ranking end date) known? <i>Answer this question if your response to Q3B.5a is “No”.</i>	N/A
3B.5c	*Provide the actual non-ranking end date <i>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “Yes”.</i>	N/A
3B.5d	*Provide the estimated non-ranking end period <i>Answer this question if your response to Q3B.5a is “No” and your response to Q3B.5b is “No”.</i>	N/A

3B.5e	<p>*Please state the extent to which the +securities do not rank equally:</p> <ul style="list-style-type: none"> • in relation to the next dividend, distribution or interest payment; or • for any other reason <p><i>Answer this question if your response to Q3B.5a is "No".</i></p> <p><i>For example, the securities may not rank at all, or may rank proportionately based on the percentage of the period in question they have been on issue, for the next dividend, distribution or interest payment; or they may not be entitled to participate in some other event, such as an entitlement issue.</i></p>	N/A
3B.6	<p>Please attach a document or provide a URL link for a document lodged with ASX setting out the material terms of the +securities being issued</p> <p><i>You may cross reference a disclosure document, PDS, information memorandum, investor presentation or other announcement with this information provided it has been released to the ASX Market Announcements Platform.</i></p>	See 3B.1 and attached
3B.7	<p>*Have you received confirmation from ASX that the terms of the +securities are appropriate and equitable under listing rule 6.1?</p> <p><i>Answer this question only if you are an ASX Listing. (ASX Foreign Exempt Listings and ASX Debt Listings do not have to answer this question).</i></p> <p><i>If your response is "No" and the securities have any unusual terms, you should approach ASX as soon as possible for confirmation under listing rule 6.1 that the terms are appropriate and equitable.</i></p>	No – N/A as employee options
3B.8a	<p>Ordinary fully or partly paid shares/units details</p> <p><i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency</p> <p><i>This is the currency in which the face amount of an issue is denominated. It will also typically be the currency in which distributions are declared.</i></p>	N/A
	<p>*Will there be CDIs issued over the +securities?</p>	Yes or No
	<p>*CDI ratio</p> <p><i>Answer this question if you answered "Yes" to the previous question. This is the ratio at which CDIs can be transmuted into the underlying security (e.g. 4:1 means 4 CDIs represent 1 underlying security whereas 1:4 means 1 CDI represents 4 underlying securities).</i></p>	X:Y
	<p>*Is it a partly paid class of +security?</p>	Yes or No
	<p>*Paid up amount: unpaid amount</p> <p><i>Answer this question if answered "Yes" to the previous question.</i></p> <p><i>The paid up amount represents the amount of application money and/or calls which have been paid on any security considered 'partly paid'</i></p> <p><i>The unpaid amount represents the unpaid or yet to be called amount on any security considered 'partly paid'.</i></p> <p><i>The amounts should be provided per the security currency (e.g. if the security currency is AUD, then the paid up and unpaid amount per security in AUD).</i></p>	X:Y

	<p>*Is it a stapled +security? <i>This is a security class that comprises a number of ordinary shares and/or ordinary units issued by separate entities that are stapled together for the purposes of trading.</i></p>	Yes or No
3B.8b	<p>Option details <i>Answer the questions in this section if you selected this security type in your response to Question 3B.2.</i></p>	
	<p>*+Security currency <i>This is the currency in which the exercise price is payable.</i></p>	AUD
	<p>*Exercise price <i>The price at which each option can be exercised and convert into the underlying security. If there is no exercise price please answer as \$0.00. The exercise price should be provided per the security currency (i.e. if the security currency is AUD, the exercise price should be expressed in AUD).</i></p>	<ul style="list-style-type: none"> - 60,000,000 Options exercisable at \$0.00378 - 60,000,000 Options exercisable at \$0.00429 - 60,000,000 Options exercisable at \$0.00501
	<p>*Expiry date <i>The date on which the options expire or terminate.</i></p>	<ul style="list-style-type: none"> - 60,000,000 Options exercisable at \$0.00378, expiring on 3 September 2022: - 60,000,000 Options exercisable at \$0.00429, expiring on 3 March 2024; - 60,000,000 Options exercisable at \$0.00501, expiring on 3 September 2025.
	<p>*Details of the number and type of +security (including its ASX security code if the +security is quoted on or recorded by ASX) that will be issued if an option is exercised <i>For example, if the option can be exercised to receive one fully paid ordinary share with ASX security code ABC, please insert "One fully paid ordinary share (ASX:ABC)".</i></p>	180,000,000 Fully Paid Ordinary Shares (ASX: RLG)
3B.8c	<p>Details of non-convertible +debt securities, +convertible debt securities, or redeemable preference shares/units <i>Answer the questions in this section if you selected one of these security types in your response to Question 3B.2. Refer to Guidance Note 34 and the "Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities" for further information on certain terms used in this section</i></p>	
	<p>*Type of +security <i>Select one item from the list</i></p>	<input type="checkbox"/> Simple corporate bond <input type="checkbox"/> Non-convertible note or bond <input type="checkbox"/> Convertible note or bond <input type="checkbox"/> Preference share/unit <input type="checkbox"/> Capital note <input type="checkbox"/> Hybrid security <input type="checkbox"/> Other
	<p>*+Security currency <i>This is the currency in which the face value of the security is denominated. It will also typically be the currency in which interest or distributions are paid.</i></p>	

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	<p>Face value</p> <p><i>This is the principal amount of each security.</i></p> <p><i>The face value should be provided per the security currency (i.e. if security currency is AUD, then the face value per security in AUD).</i></p>	
	<p>*Interest rate type</p> <p><i>Select one item from the list</i></p> <p><i>Select the appropriate interest rate type per the terms of the security. Definitions for each type are provided in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities</i></p>	<input type="checkbox"/> Fixed rate <input type="checkbox"/> Floating rate <input type="checkbox"/> Indexed rate <input type="checkbox"/> Variable rate <input type="checkbox"/> Zero coupon/no interest <input type="checkbox"/> Other
	<p>Frequency of coupon/interest payments per year</p> <p><i>Select one item from the list.</i></p>	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annual <input type="checkbox"/> Annual <input type="checkbox"/> No coupon/interest payments <input type="checkbox"/> Other
	<p>First interest payment date</p> <p><i>A response is not required if you have selected "No coupon/interest payments" in response to the question above on the frequency of coupon/interest payments</i></p>	
	<p>Interest rate per annum</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	% p.a.
	<p>*Is the interest rate per annum estimated at this time?</p> <p><i>Answer this question if the interest rate type is fixed.</i></p>	Yes or No
	<p>If the interest rate per annum is estimated, then what is the date for this information to be announced to the market (if known)</p> <p><i>Answer this question if the interest rate type is fixed and your response to the previous question is "Yes".</i></p> <p><i>Answer "Unknown" if the date is not known at this time.</i></p>	
	<p>*Does the interest rate include a reference rate, base rate or market rate (e.g. BBSW or CPI)?</p> <p><i>Answer this question if the interest rate type is floating or indexed</i></p>	Yes or No
	<p>*What is the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	
	<p>*Does the interest rate include a margin above the reference rate, base rate or market rate?</p> <p><i>Answer this question if the interest rate type is floating or indexed.</i></p>	Yes or No

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	<p>*What is the margin above the reference rate, base rate or market rate (expressed as a percent per annum)</p> <p><i>Answer this question if the interest rate type is floating or indexed and your response to the previous question is "Yes".</i></p>	<p>% p.a.</p>
	<p>*S128F of the Income Tax Assessment Act status applicable to the +security</p> <p><i>Select one item from the list</i></p> <p><i>For financial products which are likely to give rise to a payment to which s128F of the Income Tax Assessment Act applies, ASX requests issuers to confirm the s128F status of the security:</i></p> <ul style="list-style-type: none"> • "s128F exempt" means interest payments are not taxable to non-residents; • "Not s128F exempt" means interest payments are taxable to non-residents; • "s128F exemption status unknown" means the issuer is unable to advise the status; • "Not applicable" means s128F is not applicable to this security 	<p><input type="checkbox"/> s128F exempt</p> <p><input type="checkbox"/> Not s128F exempt</p> <p><input type="checkbox"/> s128F exemption status unknown</p> <p><input type="checkbox"/> Not applicable</p>
	<p>*Is the +security perpetual (i.e. no maturity date)?</p>	<p>Yes or No</p>
	<p>*Maturity date</p> <p><i>Answer this question if the security is not perpetual</i></p>	
	<p>*Select other features applicable to the +security</p> <p><i>Up to 4 features can be selected. Further information is available in the Guide to the Naming Conventions and Security Descriptions for ASX Quoted Debt and Hybrid Securities.</i></p>	<p><input type="checkbox"/> Simple</p> <p><input type="checkbox"/> Subordinated</p> <p><input type="checkbox"/> Secured</p> <p><input type="checkbox"/> Converting</p> <p><input type="checkbox"/> Convertible</p> <p><input type="checkbox"/> Transformable</p> <p><input type="checkbox"/> Exchangeable</p> <p><input type="checkbox"/> Cumulative</p> <p><input type="checkbox"/> Non-Cumulative</p> <p><input type="checkbox"/> Redeemable</p> <p><input type="checkbox"/> Extendable</p> <p><input type="checkbox"/> Reset</p> <p><input type="checkbox"/> Step-Down</p> <p><input type="checkbox"/> Step-Up</p> <p><input type="checkbox"/> Staped</p> <p><input type="checkbox"/> None of the above</p>
	<p>*Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?</p>	<p>Yes or No</p>
	<p>*If yes, what is the first trigger date</p> <p><i>Answer this question if your response to the previous question is "Yes".</i></p>	

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	<p>Details of the number and type of +security (including its ASX security code if the +security is quoted on ASX) that will be issued if the securities to be quoted are converted, transformed or exchanged</p> <p><i>Answer this question if the security features include “converting”, “convertible”, “transformable” or “exchangeable”.</i></p> <p><i>For example, if the security can be converted into 1,000 fully paid ordinary shares with ASX security code ABC, please insert “1,000 fully paid ordinary shares (ASX:ABC)”.</i></p>	
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Part 4 – Issue details

Question No.	Question	Answer
4.1	*Have the +securities been issued yet?	Yes
4.1a	*What was their date of issue? <i>Answer this question if your response to Q4.1 is “Yes”.</i>	4 March 2021
4.1b	*What is their proposed date of issue? <i>Answer this question if your response to Q4.1 is “No”.</i>	N/A
4.2	*Are the +securities being issued for a cash consideration? <i>If the securities are being issued for nil cash consideration, answer this question “No”.</i>	No
4.2a	*In what currency is the cash consideration being paid <i>For example, if the consideration is being paid in Australian Dollars, state AUD.</i> <i>Answer this question if your response to Q4.2 is “Yes”.</i>	N/A
4.2b	*What is the issue price per +security <i>Answer this question if your response to Q4.2 is “Yes” and by reference to the issue currency provided in your response to Q4.2a.</i> <i>Note: you cannot enter a nil amount here. If the securities are being issued for nil cash consideration, answer Q4.2 as “No” and complete Q4.2c.</i>	Nil
4.2c	Please describe the consideration being provided for the +securities <i>Answer this question if your response to Q4.2 is “No”.</i>	Issued as part of the Company’s Employee Incentive Scheme
4.3	Any other information the entity wishes to provide about the issue	-

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Part 5 – Unquoted +securities on issue

Following the issue of the +securities the subject of this application, the unquoted issued +securities of the entity will comprise:

Note: the figures provided in the table in section 5.1 below are used to calculate part of the total market capitalisation of the entity published by ASX from time to time. Please make sure you include in the table each class of unquoted securities issued by the entity.

Restricted securities should be included in table 5.1.

5.1

*ASX security code and description	*Total number of +securities on issue
Unlisted Options in the following Tranches	
- Options exercisable at \$0.00378, expiring on 3 September 2022, vesting upon 6 months continuous employment past date of issue;	60,000,000
- Options exercisable at \$0.00429, expiring on 3 March 2024, vesting upon 12 months continuous employment past date of issue, and First ATEN Construction Start;	60,000,000
- Options exercisable at \$0.00501, expiring on 3 September 2025, vesting upon 12 months continuous employment past date of issue and First ATEN EPC Completion Test Satisfaction;	60,000,000
Options exercisable at \$0.0020 each, expiring on 23 May 2021	175,000,000
Options exercisable at \$0.0045 each, expiring on 9 November 2021	20,000,000

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Part 6 – Other Listing Rule requirements

The questions in this Part should only be answered if you are an ASX Listing (ASX Foreign Exempt Listings and ASX Debt Listings do not need to complete this Part) and:

- your response to Q2.1 is "+securities issued under an +employee incentive scheme that are not being immediately quoted on ASX"; or
- your response to Q2.1 is "Other"

Question No.	Question	Answer
6.1	<p>*Are the securities being issued under Listing Rule 7.2 exception 13¹ and therefore the issue does not need any security holder approval under Listing Rule 7.1?</p> <p><i>Answer this question if your response to Q2.1 is "securities issued under an employee incentive scheme that are not being immediately quoted on ASX".</i></p>	No
6.2	<p>*Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No".</i></p>	No
6.2a	<p>*Date of meeting or proposed meeting to approve the issue under listing rule 7.1</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "Yes".</i></p>	N/A
6.2b	<p>*Are any of the +securities being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	Yes

¹ Exception 13

An issue of securities under an employee incentive scheme if within 3 years before the issue date:

- (a) in the case of a scheme established before the entity was listed – a summary of the terms of the scheme and the maximum number of equity securities proposed to be issued under the scheme were set out in the prospectus, PDS or information memorandum lodged with ASX under rule 1.1 condition 3; or
- (b) the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as an exception to this rule. The notice of meeting must have included:
 - a summary of the terms of the scheme.
 - the number of securities issued under the scheme since the entity was listed or the date of the last approval under this rule;
 - the maximum number of +equity securities proposed to be issued under the scheme following the approval; and
 - a voting exclusion statement.

Exception 13 is only available if and to the extent that the number of +equity securities issued under the scheme does not exceed the maximum number set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

Exception 13 ceases to be available if there is a material change to the terms of the scheme from those set out in the entity's prospectus, PDS or information memorandum (in the case of (a) above) or in the notice of meeting (in the case of (b) above).

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6.2b.1	<p>*How many +securities are being issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2b is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure B to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1 to issue that number of securities.</i></p>	180,000,000
6.2c	<p>*Are any of the +securities being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?</p> <p><i>Answer this question if the response to Q6.1 is "No" and the response to Q6.2 is "No".</i></p>	N/A
6.2c.1	<p>*How many +securities are being issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?</p> <p><i>Answer this question if the response to Q6.1 is "No", the response to Q6.2 is "No" and the response to Q6.2c is "Yes".</i></p> <p><i>Please complete and separately send by email to your ASX listings adviser a work sheet in the form of Annexure C to Guidance Note 21 confirming the entity has the available capacity under listing rule 7.1A to issue that number of securities.</i></p>	N/A

Introduced 01/12/19; amended 31/01/20

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VOLT POWER GROUP LIMITED
ABN 62 009 423 189

INCENTIVE OPTION SCHEME

The Directors are empowered to operate the Volt Power Group Limited Incentive Option Scheme (**Scheme**) on the following terms and in accordance with the Listing Rules of ASX:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

For the purposes of the Scheme, the following words have the following meanings:

Associate means, in relation to an Eligible Participant:

- (a) an immediate family member of the Eligible Participant;
- (b) a company whose members comprise no persons other than the Eligible Participant or immediate family members of the Eligible Participant; or
- (c) a corporate trustee of a self-managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993*) where the Eligible Participant is a director of the trustee.

Associated Body Corporate means:

- (a) a related body corporate (as defined in the Corporations Act) of the Company;
- (b) a body corporate which has voting power (as defined in the Corporations Act) in the Company of not less than 20%; or
- (c) a body corporate in which the Company has voting power (as defined in the Corporations Act) of not less than 20%.

ASX means ASX Limited.

Board means the board of directors of the Company.

Business Day means those days other than a Saturday, Sunday, New Year's Day, Australia Day, Good Friday, Easter Monday, Anzac Day, Christmas Day, Boxing Day and any other day which the ASX shall declare and publish is not a business day.

Ceasing Date has the meaning given in Rule 7.5.

Ceasing Event has the meaning given in Rule 7.6.

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

Company means Volt Power Group Limited (ABN 62 009 423 189)

Corporations Act means the Corporations Act 2001 (Cth), as amended from time to time.

Directors means the directors of the Company.

Eligible Participant means a director, full-time employee, part-time employee, casual employee or contractor of the Company or of an Associated Body Corporate.

Exercise Condition means in respect of an Option, any condition set out in the Offer which must be satisfied before that Option can be exercised or any other restriction on exercise of that Option specified in the Offer or in these Rules.

First Quotation means the day on which Shares are first quoted on the official list of ASX.

Group means the Company or an Associated Body Corporate.

Income Tax Assessment Act means the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth) as appropriate.

Lapsing Date means, in respect of an Option, the date which is two (2) years after the date of the grant of that Option, or such other date as the Board determines in its discretion with respect to that Option at the time of the grant of that Option.

Listing Rules means the official listing rules of ASX as amended from time to time.

Offer means an offer made to an Eligible Participant to subscribe for one or more Options under the Scheme.

Offer Document means an offer document in substantially the same form as set out in Schedule 2, or such other form as prescribed by the Corporations Act or the Class Order or as otherwise determined by the Board.

Option means an option granted pursuant to these Rules to subscribe for one Share upon and subject to the terms of these Rules and the terms of the Offer.

Option Exercise Price means the exercise price of an Option, as determined in accordance with clause 6.1.

Marketable Parcel has the meaning given to that term in the Listing Rules.

Participant means an Eligible Participant to whom Options have been granted under the Scheme, or if Rule 5.4 applies, an Associate of the Eligible Participant to whom Options have been granted under the Scheme.

Permanently Disabled means, in relation to a Participant, a Participant who is deemed, at the discretion of the Board, to be totally and permanently disabled.

Relevant Person means:

- (a) in respect of an Eligible Participant, that person; and
- (b) in respect of a Nominee of an Eligible Participant being a permitted Nominee under Rule 5.4, that Eligible Participant.

Rules means the rules of the Scheme set out in this document.

Scheme means the scheme established in accordance with these Rules.

Share means a fully paid ordinary share in the Company.

Shareholder means a holder of Shares.

Trigger Event means:

- (a) the despatch of a notice of meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act (excluding a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, or any reconstruction, consolidation, sub-division, reduction or return) of the issued capital of the Company);
- (b) a takeover bid (as defined under section 9 of the Corporations Act) in respect of the Company;

- (i) is announced;
- (ii) has become unconditional; and
- (iii) the person making the takeover bid has a relevant interest (as defined under section 9 of the Corporations Act) in fifty percent (50%) or more of the issued Shares; or
- (c) the date upon which a person or a group of associated persons becomes entitled, subsequent to the date of grant of the Option, to sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board in circumstances where such ability was not already held by such person or group of associated persons.

1.2 Interpretation

In this Scheme unless the context otherwise requires:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) an obligation or liability assumed by, or a right conferred on, 2 or more Parties binds or benefits all of them jointly and each of them severally;
- (c) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;
- (d) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;
- (e) a reference to any document (including this Scheme) is to that document as varied, novated, ratified or replaced from time to time;
- (f) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;
- (g) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;
- (h) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this Scheme and a reference to this Scheme includes any schedule, exhibit or annexure to this Scheme;
- (i) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning; and
- (j) a reference to **\$** or **dollar** is to Australian currency.

2. PURPOSE

The purpose of the Scheme is to:

- (a) encourage participation by Eligible Participants in the Company through Share ownership; and
- (b) attract, motivate and retain Eligible Participants.

3. COMMENCEMENT

This Scheme will commence on the date determined by the Board.

4. OPTION GRANTS

4.1 Entitlements

The formula by which the entitlements of Eligible Participants shall be determined shall be at the absolute discretion of the Directors and shall take into account skills, experience, length of service with the Company, remuneration level and such other criteria as the Directors consider appropriate in the circumstances.

4.2 Number of Options

Subject to Rule 4.4, the number of Options (if any) to be offered to an Eligible Participant from time to time will be determined by the Board in its discretion and in accordance with the Rules and applicable law.

4.3 No Consideration

Options issued under the Scheme will be issued for no consideration.

4.4 Limitation of Offers

If the Company makes an Offer where:

- (a) the total number of Shares to be received on exercise of Options the subject of that Offer, exceeds the limit set out in the Class Order; or
- (b) the Offer does not otherwise comply with the terms and conditions set out in the Class Order,

the Company must comply with Chapter 6D of the Corporations Act at the time of that Offer.

5. OFFERS OF OPTIONS

5.1 Determination by the Board

The Board, acting in its absolute discretion, may:

- (a) offer Options to any Eligible Participant from time to time as determined by the Board and in exercising that discretion, may have regard to some or all of the following:
 - (i) the Eligible Participant's length of service with the Group;
 - (ii) the contribution made by the Eligible Participant to the Group;
 - (iii) the potential contribution of the Eligible Participant to the Group; or
 - (iv) any other matter the Board considers relevant; and
- (b) impose conditions, including performance-related conditions, on the right of a Participant to exercise any Option granted.

5.2 Offer Document

An Offer must be made using an Offer Document.

5.3 Personal Offer

Subject to Rule 5.4, an Offer is personal and is not assignable.

5.4 Renunciation

Upon receipt of an Offer, an Eligible Participant may, by notice in writing to the Board, nominate an Associate of that Eligible Participant (**Nominee**) in whose favour the Eligible Participant wishes to renounce the Offer. The Board may, in its discretion, resolve not to allow a renunciation of an Offer in favour of a Nominee without giving any reason for that decision. If the Board resolves to allow a renunciation of an Offer in favour of a Nominee, the Eligible Participant will procure that the permitted Nominee accepts the Offer made to that Eligible Participant and that both the Eligible Participant and the Nominee agree to be bound by the Rules.

5.5 Time Period

An Eligible Participant (or permitted Nominee) may only accept an Offer within the time period specified in the Offer Document.

6. EXERCISE PRICE

6.1 Option exercise price

In respect of any proposed Offer, the Board may determine the Option Exercise Price for that Offer in its absolute discretion.

6.2 Minimum Exercise Price

Subject to the Listing Rules, the Option Exercise Price may be nil but to the extent the Listing Rules specify or require a minimum price, the Option Exercise Price in respect of an Offer made following First Quotation must not be less than any minimum price specified in the Listing Rules.

7. WHEN OPTIONS MAY BE EXERCISED

7.1 Exercise

- (a) Subject to Rules 7.1(b), 7.4 and 7.5, a Participant will be entitled to exercise Options granted as a result of an Offer in respect of which all Exercise Conditions have been satisfied and which are otherwise capable of exercise in accordance with the terms of the relevant Offer and the Rules.
- (b) An Option may not be exercised if it was issued in accordance with the Class Order and the Class Order prohibits the exercise of the Option.
- (c) Once an Option is capable of exercise in accordance with this Rule 7.1, it may be exercised at any time up until 5.00pm in Perth on the Lapsing Date.

7.2 One or Several Parcels

Subject to Rule 7.1, Options may be exercised in one or more parcels of any size, provided that the number of Shares issued upon exercise of the number of Options in any parcel is not less than a Marketable Parcel.

7.3 Adjustment to Terms of Exercise

- (a) The Board will have the power to make adjustments to or vary the terms of exercise of an Option. Following First Quotation, any proposed variation or adjustment will be subject to any requirements of the Listing Rules.

- (b) No adjustment or variation of the terms of exercise of an Option will be made without the consent of the Participant who holds the relevant Option if such adjustment or variation would have a materially prejudicial effect upon the Participant (in respect of his or her outstanding Options), other than an adjustment or variation introduced primarily:
- (i) for the purpose of complying with or conforming to present or future State, Territory or Commonwealth legislation governing or regulating the maintenance or operation of the Scheme or like Schemes;
 - (ii) to correct any manifest error or mistake; or
 - (iii) to enable a member of the Group to comply with the Corporations Act, the Listing Rules, applicable foreign law, or a requirement, policy or practice of the ASIC or other foreign or Australian regulatory body.

7.4 Lapsing of Options

Subject to the terms of the Offer made to a Participant and unless Rule 7.6 or 7.7 applies, a Participant's Options will lapse immediately and all rights in respect of those Options will thereupon be lost if, in respect of a Participant or an Offer:

- (a) the Relevant Person ceases to be an employee or director of, or to render services to, a member of the Group for any reason whatsoever (including without limitation resignation or termination for cause) and the Exercise Conditions have not been met;
 - (b) the Exercise Conditions are unable to be met;
 - (c) the Lapsing Date has passed; or
 - (d) the deadline provided for in Rule 7.5 has passed,
- whichever is earlier.

7.5 Cessation of Employment where Exercise Conditions met

Subject to the terms of the Offer made to a Participant, where a Relevant Person ceases to be an employee of, or to render services to, a member of the Group for any reason whatsoever (including without limitation resignation or termination for cause) prior to the Lapsing Date in relation to the Options granted under an Offer (**Ceasing Date**) and the Exercise Conditions have been met, the Participant will be entitled to exercise Options granted as a result of an Offer in accordance with the terms of the Offer and the Rules, for a period of up to 60 days after the Ceasing Date, after which the Participant's Options will lapse immediately and all rights in respect of those Options will thereupon be lost.

7.6 Death, Permanent Disability, Retirement or Redundancy

Subject to the terms of the Offer made to a Participant, if in respect of a Participant, the Relevant Person dies, becomes Permanently Disabled, resigns employment on the basis of retirement from the workforce or is made redundant by the relevant member of the Group, prior to the Lapsing Date of any Options granted to that Participant (**Ceasing Event**):

- (a) the Participant or the Participant's legal personal representative, where relevant, may exercise those Options which at that date:
 - (i) have become exercisable;
 - (ii) have not already been exercised; and

(iii) have not lapsed,

in accordance with Rule 7.6(c);

(b) at the absolute discretion of the Board, the Board may resolve that the Participant, or the Participant's legal personal representative, where relevant, may exercise those Options which at that date:

(i) have not become exercisable; and

(ii) have not lapsed,

in accordance with Rule 7.6(c) and, if the Board exercises that discretion, those unexercisable Options will not lapse other than as provided in Rule 7.6(c);

(c) (i) The Participant or the Participant's legal personal representative (as the case may be) must exercise the Options referred to in Rule 7.6(a) and, where permitted, Rule 7.6(b), no earlier than First Quotation and not later than the first to occur of: (A) the Lapsing Date of the Options in question; and (B) the date which is 6 months after the Ceasing Event or 6 months after First Quotation (whichever occurs first) provided that in the case of Options referred to in Rule 7.6(b), all Exercise Conditions have been met at that time (unless the Board decides to waive any relevant Exercise Conditions, in its absolute discretion).

(ii) Options which have not been exercised by the end of the period specified in Rule 7.6(c)(i) lapse immediately at the end of that period and all rights in respect of those Options will thereupon be lost.

(iii) Where the Lapsing Date for an Option the subject of this Rule 7.6 occurs before First Quotation, that Option lapses at the end of its Lapsing Date and all rights in respect of that Option will thereupon be lost notwithstanding the terms of this Rule 7.6.

7.7 Discretionary Exercise of Options

Where, in respect of a Participant, the Relevant Person ceases to be an employee of, or to render services to, a member of the Group, for any reason, prior to the date on which Options become exercisable, the Board may, in its absolute discretion, determine that some or all of the Options held by that Participant do not lapse and may be exercised by the Participant, if otherwise permitted under the Rules, within such additional time as is determined by the Board following the Ceasing Date. Options which have not been exercised by the end of that period lapse immediately and all rights in respect of these Options will thereupon be lost.

7.8 Entitlement

(a) Each Option entitles the holder to subscribe for and be allotted one Share.

(b) Shares issued pursuant to the exercise of Options will in all respects, including bonus issues and new issues, rank equally and carry the same rights and entitlements as other Shares on issue.

8. MANNER OF EXERCISE OF OPTIONS

8.1 Delivery to Company Secretary

Options granted to a Participant may only be exercised by delivery to the Company's Secretary (at a time when the Options may be exercised) of:

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- For personal use only
- (a) the certificate for the Options or, if the certificate for the Options has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration that the certificate has been lost, mutilated or destroyed;
 - (b) a notice in the form of Schedule 1 (or in such other form as is acceptable to the Company) addressed to the Company and signed by the Participant stating that the Participant exercises the Options and specifying the number of Options which are exercised; and
 - (c) payment to the Company of an amount equal to the Option Exercise Price multiplied by the number of Options which are being exercised unless there is no exercise price payable in respect of the Options to be exercised.

8.2 Issue of Shares

If the items specified in Rule 8.1 are delivered in accordance with that Rule, the Company will, subject to the Listing Rules (if relevant):

- (a) within 10 Business Days of delivery of the documents referred to in Rule 8.1 issue to the Participant the Shares credited as being fully paid in respect of which the Options are exercised together with any additional Shares an entitlement to which has arisen under Rules 9 and 10 in consequence of the exercise of the Options; and
- (b) cancel the certificate delivered pursuant to Rule 8.1(a) and, if any Options which have not lapsed remain unexercised, deliver to the Participant a replacement certificate reflecting the number of those Options which remain unexercised.

8.3 Death of Participant

If a Participant has died, the Participant's legal personal representative will stand in the place of the Participant for the purposes of Rules 8.1 and 8.2 subject only to prior production to the Company of such evidence as would be required to permit the legal personal representative to become registered as a shareholder in respect of the Shares held by the Participant.

8.4 Beneficial Owner of Shares

From and including the date of issue to a Participant of any Shares in accordance with these Rules, the Participant will:

- (a) be the beneficial owner of those Shares; and
- (b) subject to Rule 8.6, the Corporations Act, the Constitution and, after First Quotation, the Listing Rules, be entitled to deal with those Shares as beneficial owner.

8.5 Equal Rank

A Share issued on exercise of an Option will rank equally in all respects with Shares already on issue on the date of exercise of the Option, except for entitlements which had a record date before the date of issue of that Share.

8.6 Official Quotation

After First Quotation, the Company will make application for Shares which are issued after that time pursuant to Rule 8.2 to be quoted in accordance with the Listing Rules.

9. NOTICE OF ADJUSTMENTS AND CUMULATION OF ADJUSTMENTS

9.1 Cumulation of Adjustments

Effect will be given to Rule 10 in such manner that the effect of the successive applications of them is cumulative, with the intention being that the adjustments they progressively effect will reflect previous adjustments.

9.2 Notice of Adjustments

Whenever the number of Shares comprised in an Option or the Option Exercise Price is adjusted pursuant to these Rules, the Company will give notice of the adjustment to the Participant and ASX together with calculations on which the adjustment is based.

10. NEW ISSUES AND ADJUSTMENTS FOR RIGHTS ISSUES

10.1 Participation generally

There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

10.2 Rights Issues

If the Company makes a pro rata issue of securities (except a bonus issue) to the holders of Shares (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the Option Exercise Price shall be reduced according to the formula specified in the Offer Document.

10.3 Bonus issues

In the event of a bonus issue of Shares being made pro-rata to Shareholders, (other than an issue in lieu of dividends), the number of Shares issued on exercise of each Option will include the number of bonus Shares that would have been issued if the Option had been exercised prior to the record date for the bonus issue. No adjustment will be made to the exercise price per Share of the Option.

10.4 Quotation

Options will not be quoted on ASX. However, application will be made to ASX for official quotation of the Shares allotted pursuant to the exercise of Options if the Company's Shares are listed on ASX at that time.

10.5 Applications

An application to be issued Options may be made by persons invited to participate in the Scheme in such form and upon such terms and conditions concerning the closing date for applications as are approved by the Directors from time to time.

10.6 Reorganisation

The terms upon which Options will be granted will not prevent the Options being reorganised as required by the Listing Rules on the reorganisation of the capital of the Company.

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11. OVERRIDING RESTRICTIONS ON ISSUE AND EXERCISE

Notwithstanding the Rules or the terms of any Option, no Option may be offered, granted or exercised and no Share may be issued under the Scheme and no term of an Option can take effect or be enforced if to do so:

- (a) would contravene the Corporations Act, the Listing Rules or any other applicable law; or
- (b) would contravene the local laws or customs of an Eligible Participant's country of residence or in the opinion of the Board would require actions to comply with those local laws or customs which are impractical.

12. AMENDMENT OF RULES

Subject to and in accordance with the Listing Rules (including any waiver granted under such Listing Rules), the Directors (without the necessity of obtaining the prior or subsequent consent of Shareholders of the Company in a general meeting) may from time to time amend (including the power to revoke, add to or vary) all or any provisions of the Rules in any respect whatsoever, by an instrument in writing, provided that rights or entitlements in respect of any Option granted before the date of amendment shall not be reduced or adversely affected unless prior written approval from the affected holder(s) is obtained.

13. TRIGGER EVENT

Notwithstanding the Rules of the Scheme, upon the occurrence of a Trigger Event but subject to compliance with the Corporations Act, the Listing Rules and any other applicable law:

- (a) the Options may be exercised at any time from the date of such Trigger Event, and in any number until the date (being no later than when the Options would otherwise lapse pursuant to the Offer or these Rules) determined by the Board, provided that the Directors will forthwith advise in writing each holder of such Trigger Event. Thereafter, the Options shall lapse to the extent they have not been exercised; or
- (b) the Directors may determine to use their reasonable endeavours to procure that an offer is made to holders of Options on like terms (having regard to the nature and value of the Options) to the terms proposed under the Trigger Event in which case the Directors shall determine an appropriate period during which the holder may elect to accept the offer and, if the holder has not so elected at the end of that period, the Options shall immediately become exercisable and if not exercised within 10 days, shall lapse.

14. ADMINISTRATION OF SCHEME

- (a) The Directors may appoint for the proper administration and management of the Scheme, such persons as it considers desirable and may delegate thereto such authorities as may be necessary or desirable for the administration and management of the Scheme.
- (b) Subject to the provisions of the Rules, the Directors may make such regulations and establish such procedures for the administration and management of the Scheme as they consider appropriate.
- (c) The decision of the Directors as to the interpretation, effect or application of the Rules will be final.

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15. RIGHTS OF ELIGIBLE PARTICIPANTS

Neither participation in the Scheme by the Company or an Associated Body Corporate or any Eligible Participants or Option holders or anything contained in these Rules shall in any way prejudice or affect the right of the Company or an Associated Body Corporate to dismiss any Eligible Participant or Option holder or to vary the terms of employment of any Eligible Participant or Option holder. Nor shall participation or the rights or benefits of an Eligible Participant or Option holder under the Rules be relevant to or used as grounds for granting or increasing damages in any action brought by an Eligible Participant or Option holder against the Company or an Associated Body Corporate whether in respect of any alleged wrongful dismissal or otherwise.

16. ATTORNEY

Each Participant, in consideration of an Offer:

- (a) irrevocably appoints the Company and any person nominated from time to time by the Company (each an "attorney"), severally, as the Participant's attorney to complete and execute any documents including applications for Shares and Share transfers and to do all acts or things on behalf of and in the name of the Participant which may be convenient or necessary for the purpose of giving effect to the provisions of these Rules;
- (b) covenants that the Participant will ratify and confirm any act or thing done pursuant to this power;
- (c) releases each member of the Group and the attorney from any liability whatsoever arising from the exercise of the powers conferred by this Rule; and
- (d) indemnifies and holds harmless each member of the Group and the attorney in respect thereof.

17. ASIC RELIEF

Notwithstanding any other provisions of the Scheme, every covenant or other provision set out in an exemption or modification granted from time to time by the ASIC in respect of the Scheme pursuant to its power to exempt and modify the Corporations Act and required to be included in the Scheme in order for that exemption or modification to have full effect, is deemed to be contained in the Scheme. To the extent that any covenant or other provision deemed by this Rule to be contained in the Scheme is inconsistent with any other provision in the Scheme, the deemed covenant or other provision shall prevail.

18. NOTICES

Any notice to Participants may be given in such manner as the Board determines.

19. GOVERNING LAW

This Scheme is governed by and shall be construed and take effect in accordance with the laws of Western Australia.

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SCHEDULE 1 - NOTICE OF EXERCISE OF OPTIONS

To: The Directors
Volt Power Group Limited

I/ We _____ of _____
_____ being registered holder(s) of the options to subscribe for fully paid ordinary shares in the Company set out on the certificate annexed to this notice, hereby exercise _____ of the abovementioned options. I/We enclose my/our cheque for \$ _____ in payment of the application monies due in respect of those shares calculated on the basis of \$ _____ per share.

I/ We authorise and direct the Company to register me/us as the holder(s) of the shares to be allotted to me/us and I/we agree to accept such shares subject to the provisions of the Constitution of the Company.

Dated the _____ day of _____ 202 .

Signature of Holder(s)

Note:

1. Each holder must sign.
2. An application by a company must be executed in accordance with section 127 of the Corporations Act 2001 (Cth) and if signing for a company as a sole director/secretary – ensure “sole director” and “sole secretary” is written beside the signature.
3. Cheques should be made payable to Volt Power Group Limited.

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SCHEDULE 2 - OFFER DOCUMENT

[Name and address of employee]

Dear [*]

INCENTIVE OPTION SCHEME

The board of directors of Volt Power Group Limited (**Company**) is pleased to make an offer to you of [*] options pursuant to its incentive option scheme (**Scheme**).

In accordance with ASIC Class Order 14/1000, the Company informs you of the following:

- (a) accompanying this letter is a full copy of the terms of the Scheme;
- (b) this offer remains open for acceptance by you for 14 days from the date of this letter (**Offer Period**);
- (c) the options under the Scheme will be granted to you for nil consideration;
- (d) the terms, exercise price and the expiry date of each of the options is set out in Annexure A;
- (e) You should note that the taxation laws covering employee equity plans are complex and change from time to time. You should seek professional advice on the tax implications for you in your personal circumstances;
- (f) This offer is not, and should not be construed as, a recommendation or advice from the Company or any person affiliated with the Company. Further, any advice given on behalf of the Company is general advice only and does not take into account your particular financial position or needs. You should obtain your own independent advice, from a person who is licensed to give such advice, on the financial, taxation and other consequences for you in relation to participation in the Scheme;
- (g) As with any investment, owning Shares carries risk including:
 - i. the market price of Shares may fall, depending on factors such as the performance of the Company, the performance of the economy and general financial market conditions; and
 - ii. if the earnings of the Company fall, dividends may not occur as expected;
- (h) the Company undertakes that during the period commencing on the date of this letter and expiring at the end of the Offer Period, it will within a reasonable period of you so requesting, make available to you the current market price of the underlying shares to which the options relate.

Could you please confirm your acceptance of the offer set out in this letter by signing in the appropriate place below and returning it to the Company.

Yours faithfully

[*]
For and on behalf of
VOLT POWER GROUP LIMITED

Encl.

I agree to the terms and conditions set out above and accept the offer of options as contained in the letter set out above.

Name: _____

Date: _____

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