



**17 October 2020**

Dear Shareholders

**Pental Limited Annual General Meeting**

The Notice of Annual General Meeting of Pental Limited (**Pental or the Company**) to be held by videoconference on 19 November 2020 at 11.00am Melbourne time is now available at <http://www.pental.com.au/investors/reports/>

Safety of our shareholders and staff is our paramount concern, and therefore, in line with State Government regulations and ASIC recommendations during the COVID 19 pandemic, we will hold the meeting by way of live video conference. There will be no physical meeting. Shareholders who wish to participate in the AGM online may do so:

- a. From their computer, by entering the URL into their browser:  
<https://web.lumiagm.com/359305237>
- b. From their mobile device by either entering the URL in their browser:  
<https://web.lumiagm.com/359305237> or by using the Lumi AGM app, which is available by downloading the app from the Apple App Store or Google Play Store.

If you choose to participate in the AGM online or through the app, you can log in to the meeting by entering:

1. Your username, which is your Voting Access Code (VAC), which can be located on the first page of your proxy form or Notice of Meeting email.
2. Your password, which is the postcode registered to your holding if you are an Australian shareholder. Overseas shareholders should refer to the user guide for their password details.
3. If you have been nominated as a third party proxy, please contact Boardroom on 1300 737 760

All decisions at the meeting will be determined by poll. This will be carried out online and you will be able to cast direct votes at the appropriate times whilst the meeting is in progress. There will also be an opportunity to submit questions during the meeting. Shareholders are strongly encouraged to lodge a proxy form to vote at the AGM at least 48 hours before the meeting. A proxy form is enclosed.

Yours sincerely

A handwritten signature in black ink, appearing to read "Oliver Carton".

Oliver Carton  
Company Secretary

**PENTAL LIMITED**  
**ABN 29 091 035 353**  
**NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting of the members of Pental Limited (**Pental or Company**) will be held by videoconference at 11.00 am AEDT on 19 November 2020.

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**BUSINESS**

**FINANCIAL REPORT**

To receive and consider the Annual Financial Statements, the Directors' Report and Audit Report of the Company and its Controlled Entities for the year ended 28 June 2020.

The above documents are contained in the Annual Report. Shareholders who have elected to receive an electronic copy of the Annual Report can download a copy at Pental.com.au under the "Investors" tab in the "Reports" section. Shareholders who have elected to receive a hard copy of the Annual Report will receive one by post or email.

**RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT**

To consider and, if thought fit, to pass the following non-binding resolution:

*That the Remuneration Report contained in the Directors' Report for the year ended 28 June 2020 be adopted.*

**Short Explanation**

The Corporations Act requires listed companies to put to Shareholders at the Annual General Meeting a non-binding resolution concerning the Remuneration Report which is contained in the Directors' Report section of the Annual Report.

Shareholders will be given an opportunity to ask questions concerning the Remuneration Report at the Annual General Meeting.

As stated, Resolution 1 is non-binding.

**Voting Exclusion Statement**

The Company will disregard any votes cast on the proposed resolution for adoption of the remuneration report by or on behalf of:

- (a) a Key Management Personnel (**KMP**) named in the Remuneration Report; or
- (b) a Closely Related Party of a KMP,

whether the votes are cast as a Shareholder, proxy or in any other capacity.

However, the Company will not disregard a vote cast by a KMP or Closely Related Party of a KMP if it is cast as a proxy and it is not cast on behalf of a KMP or a Closely Related Party of a KMP. If the proxy is the Chairman, and the proxy does not specify the way in which the proxy should vote, the Chairman intends to vote in favour of the resolution

### **Important for Resolution 1**

**If you are KMP or a Closely Related Party of KMP (or are acting on behalf of any such person) and purport to cast a vote that will be disregarded by the Company (as indicated above), you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.**

### **RESOLUTION 2 - RETIREMENT OF DIRECTORS BY ROTATION AND BY OPERATION OF THE CONSTITUTION**

To consider, and if thought fit, to pass the following resolutions as ordinary resolutions:

- 2.1 *That, having retired pursuant to the Constitution of the Company, John Etherington be re-elected as a director.*

#### **Short Explanation**

The Company's Constitution requires one third of the directors (other than the Managing Director) to retire at each Annual General Meeting, being the directors longest in office since being re-elected by Shareholders at the date of the Annual General Meeting. It also requires any director appointed during the year to retire at the first AGM held after their election. Mr Etherington must therefore retire and has offered himself for re-election.

Details of the Directors are contained in the Directors' Report section of the Annual Report.

### **RESOLUTION 3 – ISSUE OF OPTIONS TO MANAGING DIRECTOR**

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

That for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of Options to Charlie McLeish or his nominee, as referred to in the Explanatory Statement, is approved.

#### **Short Explanation**

The Company proposes to issue Options to the Managing Director Charlie McLeish under the Company's Executive Variable Incentive Plan. Mr McLeish is a related party to the Company and therefore the issue of the Options requires Shareholder approval under ASX Listing Rule 10.14. An issue of securities under ASX Listing Rule 10.14 approved by Shareholders is an exception to ASX Listing Rule 7.1. The effect of Resolution 3 will be to allow the Company to issue the Options to Mr McLeish without using the Company's 15% annual placement capacity.

#### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this resolution by or on behalf of Mr McLeish, a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question, , or an associate of those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- A person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or

- The Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- A holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - 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
  - The holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**Voting Prohibition Statement**

A person appointed as a proxy must not vote, on the basis of that appointment, on this resolution if:

- (a) the proxy is either:
  - (i) a member of the KMP; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this resolution.

Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this resolution is connected directly or indirectly with remuneration of a member of the KMP.

By order of the Board:



Oliver Carton  
 Company secretary  
 Dated: 17 October 2020

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## NOTES

**IMPORTANT:** Shareholders are urged to direct their proxy how to vote by clearly marking the relevant box for each item on the proxy form.

1. A Member entitled to attend and vote at the Annual General Meeting has the right to appoint a person (who does not need to be a Member) as the Member's proxy to attend and vote at the meeting.
2. A Member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Member appoints two proxies and the appointment does not specify the proportion or number of the Member's votes each proxy may exercise, each proxy may exercise one half of the Member's votes.
3. The proxy form must be signed by the Member or the Member's attorney. Proxies given by corporations must be executed under seal or signed under the hand of a duly authorised officer or attorney.
4. To be valid, the enclosed proxy form and the power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be lodged:
  - a) at the offices of the Share Registry – Boardroom Pty Ltd GPO Box 3993 Sydney NSW 2001;
  - b) by faxing it to the Share Registry office on fax number (02) 9290 9655;
  - c) online: [www.votingonline.com.au/pentalagm2020](http://www.votingonline.com.au/pentalagm2020);

not later than 48 hours before the time for commencement of the meeting being **11.00 am AEDT on 17 November 2020**.

5. A proxy may decide whether to vote on any motion, except where the proxy is required by law, the ASX Listing Rules or the Constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed 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 they think fit.
6. Amendments to the Corporations Act have been made recently which apply to proxy voting. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this meeting. Broadly, the changes mean that:
  - (a) if proxy holders vote, they must cast all directed proxies as directed; and
  - (b) any directed proxies which are not voted will automatically default to the Chairman of the meeting, who must vote as the proxies as directed.
7. A proxy form accompanies this Notice of Meeting.
8. The proxy form accompanying this Notice of Meeting contains detailed instructions regarding how to complete the proxy form if a Shareholder wishes to appoint the Chairman as his or her proxy. You should read those instructions carefully.
9. By appointing the Chairman of the meeting as your proxy in relation to Resolution 1 you expressly authorise the Chairman to vote in favour of Resolution 1 unless:

- (a) you direct the Chairman to vote against or to abstain from voting on the resolution; or
  - (b) you are a Member of the key management personnel of the Company and its subsidiaries, details of whose remuneration are included in the remuneration report for the year ended 1 July 2020 (**KMP**).
10. The Chairman of the meeting intends to exercise all available proxies by voting in favour of all resolutions.
  11. A person may attend the meeting under an appointment of corporate representative pursuant to section 250D of the Corporations Act or Power of Attorney only if a copy of that duly executed appointment or Power of Attorney is lodged with the Share Registry or produced prior to the commencement of the meeting.
  12. The Company has determined that a person's entitlement to vote at the Annual General Meeting will, in accordance with the Corporations Act, be the entitlement of that person set out in the register of Shareholders as at 7:00 pm AEDT 18 November 2020. This means that any Shareholder registered at 7:00 pm AEDT on 18 November 2020 is entitled to attend and vote at the Annual General Meeting.
  13. Shareholders or their attorneys wishing to vote in person should attend the Annual General Meeting.
  14. Attorneys should bring with them the original or a certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting, unless it had already been provided to the Share Registry.

## **EXPLANATORY STATEMENT**

### **INTRODUCTION**

The purpose of this Explanatory Statement is to provide Shareholders with an explanation of the business of the meeting and the Resolution proposed to be considered at the Annual General Meeting.

### **1 FINANCIAL STATEMENTS AND REPORT**

At the Annual General Meeting, Shareholders will be given an opportunity to ask questions and comment on the Directors' Report, Financial Statements and Independent Auditor's Report for the year ended 28 June 2020.

Shareholders who have elected not to receive a hard copy of the Company's 2020 Annual Report can view or download a copy from the Company's website at [www.Pental.com.au](http://www.Pental.com.au).

The Company's auditors will be present at the meeting and be available to answer questions as to the conduct of the audit and the auditor's report.

### **2 RESOLUTION 1 – REMUNERATION REPORT**

In accordance with section 250R(2) of the Corporations Act, listed companies are required to put to Shareholders at the Annual General Meeting a non-binding resolution concerning the Remuneration Report which is contained in the Directors' Report section of the Annual Report.

As stated the resolution is non binding however if at least 25% of the votes cast on the resolution at the Annual General Meeting are against adoption of the report, then there are the following consequences. The Corporations Act was amended in June 2011 to introduce the “two-strikes” rule. The two strikes rule provides that if at least 25% of the votes cast (excluding KMP and their Closely Related Parties) on the adoption of the remuneration report at two consecutive AGMs are against adopting the remuneration report, members will have the opportunity to vote on a Spill Resolution.

A Spill Resolution is a resolution that a separate meeting be called where all Directors other than the Managing Director retire and can be re-elected.

The Directors recommend that all Shareholders vote in favour of the Remuneration Report.

As stated the Company will disregard any votes cast on the proposed resolution for adoption of the remuneration report by or on behalf of:

- (a) a KMP; or
- (a) a Closely Related Party of a KMP.

### **3 RESOLUTION 2 - RETIREMENT OF DIRECTORS BY ROTATION AND BY OPERATION OF THE CONSTITUTION**

The Pental Constitution requires directors appointed during the year to retire and offer themselves for election at the first AGM following their appointment. The Constitution also requires one third of Directors, other than the Managing Director, to retire at each Annual General Meeting. Those directors are eligible to be elected by Shareholders. The rules apply this year to John Etherington.

The details and experience of Mr Etherington are set out in the Directors' Report section of the Annual Report. In particular:

- Mr Etherington was appointed as a director in 2013. He is a former Senior Partner of Deloitte where he both held senior leadership positions and provided audit services to listed, private and not for profit entities. He is Chairman of the Audit and Risk Committee.

The Directors, other than Mr Etherington, recommend that all Shareholders vote in favour of these resolutions. Mr Etherington declines to make a recommendation as he is the subject of the resolution. The Chairman intends to vote open proxies in favour of them.

### **4 RESOLUTION 3 – ISSUE OF OPTIONS TO MANAGING DIRECTOR**

#### **4.1 General**

The Company proposes, subject to obtaining Shareholder approval, to issue the right to be given 636,205 Options to the Managing Director Charlie McLeish under the Company's Executive Variable Remuneration Plan (EVIP), on the terms as set out in this Notice and Explanatory Statement.

The objective of the issue of the right to Options is to provide a long term incentive for Mr McLeish and give him a stake in the Company, thereby aligning his interest with Shareholders'. He must meet Key Performance Indicators set by the Board to be able to exercise the Options, which are therefore also a reward for achieving high level performance.

The Directors in the absence of Mr McLeish consider that the number of Options to be issued to Mr McLeish is appropriate and reasonable remuneration in light of his skills and experience, his leadership of Pental and market benchmarking. The Directors used a third part remuneration expert to devise the EVIP and recommend the number of rights to Options to issue.

The incentive represented by the rights to Options is cost effective and efficient, as opposed to alternative forms of incentive, such as the payment of cash compensation. The EVIP constitutes an employee incentive scheme for the purposes of the ASX Listing Rules.

If the approval is given the Options will be issued to Mr McLeish. If the approval is not given, the Options cannot be issued and the Board will consider alternate long term incentives to be given to Mr McLeish to reward high level performance.

#### 4.2 ASX Listing Rules 10.14 and 10.15

ASX Listing Rule 10.14 provides that shareholder approval must be obtained where an entity issues equity securities to a director under an employee incentive scheme. Mr McLeish is a Director of the Company.

Pursuant to and in accordance with the requirements of the ASX Listing Rules 10.15, the following information is provided in relation to the proposed issue of Options:

|   |   |
|---|---|
| <i>The names of the persons</i>   | Charlie McLeish   |
| <i>Which category of Rules 10.14.1 – 10.14.3 the persons fall within and why</i>  | Category 10.14.1 as a Director  |
| <i>The number of securities proposed to be issued to the persons under the scheme for which approval is being sought, which may be expressed as a maximum number or formula</i>     | The right to have issued 636,205 Options  |
| <i>If the person is a Director, the current remuneration of that person</i>   | The current remuneration for Mr McLeish is set out below  |
| <i>The number of securities that have previously been issued to the person under the scheme, and the average acquisition price (if any) paid by the person for those securities</i> | Mr McLeish has previously been issued with 689,665 Options each converting into one Share on or after 1 July 2023 provided Mr McLeish remains an employee. Options are issued and exercisable at nil price and the average acquisition price is therefore nil |
| <i>A summary of the material terms of the Options</i>   | These are set out below   |
| <i>The date on which the securities will be issued</i>  | The right to have the Options issued will be issued within 1 month of the date of this meeting  |
| <i>The price or other consideration Pental will receive for the issue</i>   | Options will be issued at nil consideration, and are exercisable at nil consideration if vested   |
| <i>A summary of the material terms of the employee incentive scheme</i>   | Details of the EVIP are set out below and in the Remuneration Report section of the FY2020 Financial Report. An extract is contained in Annexure 1.   |

The EVIP is structured so that a proportion of the remuneration of the Executive is payable in rights to receive Options that vest over the long term. In Mr McLeish's case, he has the right to earn the equivalent of \$220,000 in Options. As the options are nil priced, the number to be allotted is calculated by dividing \$220,000 by the 10 day Volume Weighted Average Price (VWAP) for Shares prior to 1st July 2020 being \$0.3458.

If Shareholders approve the allocation, Mr McLeish will be given the right to be issued 636,205 Options on 1 July 2021 provided:

- He meets personal KPIs as approved by the Board for FY21; and
- Pental achieves its FY21 Budgeted EBIT.

Options vest and can be exercised three years after issue, being 1 July 2024 (Vesting Date) subject to the following vesting conditions:

- Mr McLeish is an employee at the Vesting Date
- The Pental Share VWAP for 10 days preceding 1st July 2024 exceeds \$0.3458

Other material terms of the Options are:

- An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.
- Options expire 10 years from the date of issue;
- In the event of any reconstruction of the issued capital of the Company prior to the expiry date, all rights of the Option holder will be varied in accordance with the ASX Listing Rules.

Details of Mr McLeish's current salary, as set out in the Remuneration Report section of the Annual Report, are as follows:

| <b>Salary &amp; fees</b> | <b>Bonus</b> | <b>Non-Monetary</b> | <b>Superannuation</b> | <b>Rights</b> | <b>Total \$</b> |
|--------------------------|--------------|---------------------|-----------------------|---------------|-----------------|
| <b>\$</b>                | <b>\$</b>    | <b>\$</b>           | <b>\$</b>             | <b>\$</b>     |                 |
| 475,004                  | 175,000      | 6,198               | 24,996                | 27,229        | 708,427         |

No loan will be provided to Mr McLeish concerning or in connection with the Options.

Details of any securities issued under the EVIP will be published in Pental's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.

Any additional persons covered under ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the EVIP after this resolution is approved and who were not named in the Notice of Meeting will not participate until after approval is obtained under that rule.

#### **4.3 Section 208 of the Corporations Act**

Section 208 of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 24 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Options constitutes giving a financial benefit and Mr McLeish is a related party of the Company. One of the exceptions to section 208 is the payment of reasonable remuneration. The Directors other than Mr McLeish have considered that the number of Options to be issued to him is appropriate and reasonable remuneration for the reasons set out in paragraph 4.1.

#### **4.4 ASX Listing Rules 7.1 and 7.2**

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Options the subject of Resolution 3 as approval is being obtained under ASX Listing Rule 10.11 (Exception 14 under ASX Listing Rule 7.2). Accordingly, the issue of the Options will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

#### **4.4 Board recommendation**

The Directors other than Mr McLeish recommend that Shareholders vote in favour of Resolution 3. The Chair intends to vote undirected proxies in favour of it. Mr McLeish declines to make a recommendation as he has an interest in this resolution.

## Annexure 1

### Details of Pental's EVIP

**Executive Variable Incentive Plan (EVIP)** Under Pental's EVIP, executives and selected senior management employees are eligible for both a cash and equity incentive upon the achievement of certain Group level KPI's and personal KPIs set at the commencement of each financial year, weighted as follows:

- Fifty percent of both the cash and equity incentive KPIs relate to the achievement of a target EBIT for the financial year.
- The remaining fifty percent are based on specific KPIs relevant to the participant's particular specialisation.

#### **Variable Incentive – cash**

Variable cash incentive under EVIP is paid shortly after the release of audited full year results. The maximum amount of remuneration under the variable cash incentive plan ranges from 20 to 35 percent of the individual executive / senior management employee's total fixed remuneration.

#### **Variable Incentive – equity**

The variable equity incentive is designed to reward achievement of annual KPIs, assist the retention of key high performing executives and align the rewards to the company's share price. The maximum amount of remuneration under the variable equity incentive plan varies from 30 to 40 percent of the individual executive / senior management employee's total fixed remuneration. The variable equity incentive is delivered as Performance Rights (Rights), which are granted under the existing Executive Performance Rights Plan (Rights Plan) to enable the subsequent acquisition of the share component. The Rights will convert to ordinary shares after three years from the end of financial year of the grant date. Rights will be granted on a face value basis using the last ten business days of the previous financial year Volume Weighted Average Price (VWAP). The variable equity incentive is based upon an assessment of performance against respective KPIs in the year in which it is granted. If the performance criteria is not met within the financial year, the Rights lapse at the end of the same financial year.

The vesting of the Rights is conditional on:

- a) The executive satisfying Group level and personal performance criteria,
- b) the executive being employed by the Group on the vesting date; and
- c) Pental's VWAP share price for the last ten business days preceding the vesting date being equal to or greater than the VWAP for the preceding ten business days from the grant date.

In total, the Rights are held for four years from the grant date. The value to the executive therefore is not at the grant date, rather at the vesting date which is three years from the end of financial year of the grant date. Dividends are not payable on the Rights. Dividends are payable on ordinary shares after conversion of the Rights to ordinary shares.

Under the EVIP, the executives can receive the following annualised remuneration from the vesting of the Rights: **Percentage of total fixed remuneration:**

|                 |           |
|-----------------|-----------|
| Charlie McLeish | Up to 40% |
| Neil Godara     | Up to 30% |



#### All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** [www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)
- ☎ **By Phone:** (within Australia) 1300 737 760  
(outside Australia) +61 2 9290 9600

## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 11:00am (AEDT) on Tuesday, 17 November 2020.**

### 🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/pentalagm2020>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

### 📱 BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

#### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

#### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form **must** be signed as follows:

**Individual:** This form is to be signed by the securityholder.

**Joint Holding:** where the holding is in more than one name, all the securityholders should sign.

**Power of Attorney:** to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **11:00am (AEDT) on Tuesday, 17 November 2020.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/pentalagm2020>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited  
GPO Box 3993,  
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited  
Level 12, 225 George Street,  
Sydney NSW 2000 Australia

**Your Address**

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

**Please note, you cannot change ownership of your securities using this form.**

**PROXY FORM**

**STEP 1 APPOINT A PROXY**

I/We being a member/s of **Pental Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held **virtually on Thursday 19 November 2020 at 11:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1 and 3 I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 3 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1 and 3). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

**STEP 2 VOTING DIRECTIONS**

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

|              |   | For                      | Against                  | Abstain*                 |
|--------------|---|--------------------------|--------------------------|--------------------------|
| Resolution 1 | Adoption of the Remuneration Report           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 2 | Re-election of John Etherington as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Resolution 3 | Issue of Options to Managing Director         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**STEP 3 SIGNATURE OF SECURITYHOLDERS**

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2020