



30 October 2020

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members of Ionic Industries Limited (the “Company”) will be held virtually via a webinar conferencing facility at 11.00am (AEDT) on Tuesday, 24 November 2020.

In accordance with subsection 5(1)(f) of the Corporations (Coronavirus Economic Response) Determination (No.1) 2020 made by the Commonwealth Treasurer on 5 May 2020, the Company will not be dispatching physical copies of the Notice of Meeting. Instead the Notice of Meeting and accompanying explanatory statement (Meeting Materials) including Company’s 2020 Annual Report are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials and the Company’s 2020 Annual Report online at the Company’s website <http://www.ionicindustries.com.au/category/annual-reports-and-documentation/> or at the Company’s share registry’s website (www.linkmarketservices.com.au) through Investor Centre.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.
- You can also download the Company’s 2020 Annual Report from the link <http://www.ionicindustries.com.au/category/annual-reports-and-documentation/>

If you would like to receive electronic communications from the Company in the future, please update your communication elections online at www.linkmarketservices.com.au. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Link Market Services Limited on info@linkmarketservices.com.au or 1300 554 474 (within Australia) or +61 2 8280 7100 (Outside Australia) between 8:30am and 7:30pm (AEDT) Monday to Friday, to arrange a copy.

As a result of the potential health risks and the Governments restrictions in response to the COVID-19 pandemic, the Meeting will be held via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Melanie Leydin', is written over a light blue horizontal line.

Melanie Leydin
Company Secretary
Ionic Industries Limited



IONIC INDUSTRIES LIMITED
ACN 168 143 324

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Tuesday, 24 November 2020

Time of Meeting:
11.00am (AEDT)

Due to the ongoing COVID-19 pandemic, the meeting will be held virtually via a webinar conferencing facility. If you are a shareholder who wishes to attend and participate in the virtual meeting, please register in advance as per the instructions outlined in this Notice of Meeting. Shareholders are strongly encouraged to lodge their completed proxy forms in accordance with the instructions in this Notice of Meeting.

Following recent modifications brought to the Corporations Act 2001 and the Corporations Regulations 2001 under the Corporations (Coronavirus Economic Response) Determination (no.1) 2020, no hard copy of the Notice of Annual General Meeting and Explanatory Statement will be circulated. The Notice of Meeting has been given to those entitled to receive by use of one or more technologies. The Notice of Meeting is also available on the Company's website: <http://www.ionicindustries.com.au/>

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor without delay.*

IONIC INDUSTRIES LIMITED

ACN 168 143 324

Registered office: Level 4, 100 Albert Road, South Melbourne Victoria 3205

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members of Ionic Industries Limited (the "Company") will be held virtually via a webinar conferencing facility at 11.00am (AEDT) on Tuesday, 24 November 2020.

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Company at the time of preparing the Notice of Annual General Meeting ("Notice"), the Company intends to conduct a poll on the resolutions in the Notice using the proxies filed prior to the Meeting.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the AGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions. Shareholders who intend to join the AGM are asked to dial-in 30 minutes prior to the start of the meeting.

The virtual meeting can be attended using the following details:

When: Tuesday, 24 November 2020 at 11.00am (AEDT)
Topic: Ionic Industries Limited Annual General Meeting

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_FWKuwn7oSv2EP4bZ0sd0PQ

After registering, you will receive a confirmation email containing information about joining the meeting. The Company strongly recommends its Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

The Company is happy to accept and answer questions submitted prior to the meeting by email to info@ionicindustries.com.au. Where a written question is raised in respect of the key management personnel of the Company or the resolutions to be considered at the meeting, the Company will address the relevant question during the course of the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions). If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update to shareholders ahead of the Meeting.

Any shareholders who wish to attend the AGM online should therefore monitor the Company's website for any updates about the AGM. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the meeting, the Company will make further information available through its website at <http://www.ionicindustries.com.au/>

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ACN 168 143 324

Registered office: Level 4, 100 Albert Road, South Melbourne Victoria 3205

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors and auditors for the year ended 30 June 2020.

Note: There is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Election of Mr Zhongming Hong as a Director of the Company

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

"That pursuant to the Company's Constitution, Zhongming Hong who was appointed by the Board as a Director of the Company on 1 January 2020 and who retires, offers himself for election, is elected as a Director."

SPECIAL BUSINESS

Resolution 2: Approval to amend the Company's Constitution

To consider and, if thought fit, pass the following resolution as a **special resolution**:

"That, for the purposes of Section 136(2) of the Corporations Act and for all other purposes, approval is given that the constitution of Ionic Industries Limited is amended in the manner set out in the Explanatory Statement, with effect from the conclusion of the meeting."

BY ORDER OF THE BOARD



Melanie Leydin
Company Secretary
21 October 2020

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting, for the purposes of the Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution and the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, proxy forms must be received at the Company's Share Registry (Link Market Services Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 11.00am (AEDT) on Sunday, 22 November 2020. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chairman will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chairman of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statements

Resolutions 1 and 2

There are no voting exclusions on these resolutions.

7. Special Resolutions - Resolutions 2

Resolution 2 is proposed as a special resolution. For a special resolution to be passed at least 75% of the votes validly cast on the resolution by shareholders (by number of shares) must be in favour of the resolution.

8. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement (“Statement”) accompanies and forms part of the Company’s Notice of Annual General Meeting (“Notice”) for the 2020 Annual General Meeting (“Meeting”) to be held virtually via a webinar conferencing facility at 11.00am (AEDT) on Tuesday, 24 November 2020.

The Notice incorporates, and should be read together, with this Statement

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2020 (which incorporates the Company's financial report, reports of the Directors and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website: <http://www.ionicindustries.com.au/>. It is noted that no resolution is required on these reports.

Resolution 1: Election of Mr Zhongming Hong as a Director of the Company

Background

Mr Zhongming Hong was appointed as a Director on 1 January 2020 as a casual vacancy and is eligible for election under the Company’s Constitution.

Mr Hong has decades of business and financial experiences in startup and public companies. He is responsible for engaging potential business partners and investors to accelerate the commercialisation of Ionic’s advanced graphene technologies to a range of markets. Dennis’ long experience in commercialisation of emerging technologies, including telecommunications technology, is a key component of Ionic’s commercialisation strategy, particularly as it relates to Chinese markets.

Board Recommendation

The Board (with Mr Hong abstaining), recommends that shareholders vote in favour of the election of Mr Hong.

Voting Exclusions

There are no voting exclusions on this Resolution.

Resolution 2 - Amendment to Constitution

Background

As part of its regular review of its operations in order to streamline administration, minimise costs and incorporate recent regulatory updates, the Company proposes to amend the Constitution as set out below.

The amendments are proposed in order to bring the provisions of the Constitution in line with recent technological updates and will assist the Company to streamline communications with shareholders as well as utilise various electronic platforms and tools to hold and conduct shareholder meetings.

Section 136(2) of the Corporations Act states that a company may “modify or repeal its constitution, or provision of its constitution, by special resolution”. Accordingly, this Resolution 2 is proposed as a special resolution.

Proposed Amendments

By Resolution 2, the Company seeks Shareholder approval for the purposes of Section 136(2) of the Corporations Act, and for all other purposes, to amend the Constitution of the Company in the following manner:

1. Add the following wording into rule 8.7(l), between "...two or more venues simultaneously" and "using any technology...":

“, including by way of virtual or hybrid meeting, ” such that the full rule reads:

- (l) *A general meeting may be held at two or more venues simultaneously, including by way of virtual or hybrid meeting, using any technology that gives the members as a whole a reasonable opportunity to participate.*

2. Insert the following as new rules 8.7(m)-(p):

- (m) *If the technology used in accordance with rule 8.7(l) encounters a technical difficulty, whether before or during the meeting, which results in a member not being able to participate in the meeting, the chairperson may, subject to the Corporations Act and this constitution, allow the meeting to continue or may adjourn the meeting either for such reasonable period as may be required to fix the technology or to such other time and location as the chairperson deems appropriate.*

- (n) *If a separate meeting place is linked to the main place of a meeting of members by an instantaneous audio-visual communication device or technology which, by itself or in conjunction with other arrangements:*

- (1) *gives the general body of members in the separate meeting place a reasonable opportunity to participate in proceedings in the main place;*

- (2) *enables the chairperson to be aware of proceedings in the other place; and*

- (3) *enables the members in the separate meeting place to vote on a show of hands or on a poll,*

a member present at the separate meeting place is taken to be present at the meeting of members and entitled to exercise all rights as if she or he was present at the main place.

- (o) *If, before or during the meeting, any technical difficulty occurs where one or more of the matters set out in rule 8.7(n) is not satisfied, the chairperson of the meeting may:*

- (1) *adjourn the meeting until the difficulty is remedied; or*

- (2) *continue to hold the meeting in the main place (and any other place which is linked under rule 8.7(n)) and transact business, and no member may object to the meeting being held or continuing.*

- (p) *Nothing in these rules 8.7(m) to 8.7(p) (inclusive) is to be taken to limit the powers conferred on the chairperson of the meeting by law.*

3. Insert the following as a new rule 9.7(e):

- (e) *If a failure in communications prevents rule 9.7(b) from being satisfied as a result of which one or more directors cease to participate, the chairperson of the meeting may adjourn the meeting until the difficulty is remedied or may, where a quorum of directors remains present, continue with the meeting. If, as a result of the technical difficulty, a quorum of directors is not present, then the meeting is suspended until rule 9.7(b) is satisfied again. If rule 9.7(b) is not satisfied within 15 minutes from the time the meeting was interrupted, the meeting is deemed to have terminated.*

4. Insert as a new sub-rule 15.1(a)(2) the following (with the existing sub-rule 15.1(a)(2) becoming 15.1(a)(3)):
- (2) *subject to compliance with the Corporations Act (and the Listing Rules while the company is a listed company) and unless the member has requested otherwise, by sending to:*
 - (A) *an electronic address the member has supplied to the company for the giving of notices, a URL from which the notice and other material can be viewed or downloaded; or*
 - (B) *the member's address in the register or an alternative address nominated by the member, a letter or postcard setting out a URL from which the notice and other material can be viewed or downloaded; or*
5. Add the following wording into the new sub-rule 15.1(a)(3) between "...at the registered office of the company" and "for at least 48 hours.":
- “; or (while the company is a listed company) publishing it on the company's page of the relevant Stock Exchange website,”* such that the full rule reads:
- (3) *if the member does not have a registered address and has not supplied another address to the company for the giving of notices, by exhibiting it at the registered office of the company, or (while the company is a listed company) publishing it on the company's page of the relevant Stock Exchange website, for at least 48 hours.*
6. In rule 15.5(c), replace the cross reference to rule "15.1(a)(2)" with "15.1(a)(3)", delete the reference to "by exhibiting it at the registered office of the company" and add the words "or published" at the end of the rule, such that the full rule (as amended) reads:
- (c) *Where the company gives a notice under rule 15.1(a)(3), service of the notice is taken to be effected when the notice was first so exhibited or published.*
7. Insert the following as a new rule 15.5(d):
- (d) *Where the notice is given in a manner authorised under rule 15.1(a)(2), service of the notice is to be taken as to be effected on the date nominated by the company (acting reasonably) in the notice.*

Board Recommendation

The Directors of the Company unanimously recommend shareholders vote in favour of Resolution 2.

Voting Exclusions

There are no voting exclusions on this Resolution.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2020;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDT**” means Australian Eastern Daylight Time;

“**Board**” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Company**” means Ionic Industries Limited ACN 168 143 324;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Explanatory Memorandum**” means the explanatory memorandum which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means the Notice of Meeting accompanying this Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Memorandum; and

“**Shareholder**” means shareholder of the Company.



ACN 168 143 324

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
IONIC Industries Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of IONIC Industries Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am on Tuesday, 24 November 2020 virtually via a webinar conferencing facility (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Election of Mr Zhongming Hong as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to amend the Company's Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

i * 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 votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

IONU PRX2001A



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares 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; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

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

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am on Sunday, 22 November 2020**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

IONIC Industries Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)