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NOTICE OF ANNUAL GENERAL MEETING

28 October 2021

Data#3 Limited

ABN 31 010 545 267

The Annual General Meeting of Data#3 Limited ("**Data#3**", the "**Company**") will be held at 2:00pm (Brisbane time) on Thursday 28 October 2021 for the purpose of transacting the business set out in this notice. Having regard to the ongoing COVID-19 pandemic, and in accordance with the *Treasury Laws Amendment* (2021 Measures No. 1) Act 2021 (Cth), the meeting will be delivered as a virtual meeting using the online platform provided by our share registry, Link Market Services, at https://agmlive.link/DTL21

Information about the virtual meeting will be available on Data#3's AGM website one month prior to the meeting: https://investor.data3.com/investor-centre/?page=annual-general-meetings

The accompanying explanatory notes provide information about the resolutions, voting and a summary of important information which form part of this notice and should be read in conjunction with it. The directors recommend that shareholders read this notice and the explanatory notes in full before making any decision in relation to the resolutions.

ORDINARY BUSINESS

Item 1: Financial statements and reports

To receive and consider the financial report, directors' report and independent auditor's report for Data#3 and its controlled entities for the financial year ended 30 June 2021.

Note:
This item of business does not require shareholders to vote on a resolution or to approve these reports.

Item 2: Adoption of the remuneration report (Resolution 1)

To consider and, if thought fit, pass the following ordinary resolution in accordance with section 250R(2) of the *Corporations Act 2001* (Cth) ("**Corporations Act**"):

'To adopt the remuneration report for the financial year ended 30 June 2021.'

Note:
This resolution is advisory only and does not bind the Company or the directors. The directors will consider the outcome and comments made by shareholders on the remuneration report at the meeting when reviewing the Company's remuneration policies.

Voting exclusion:
The Company will disregard any vote cast (in any capacity) on Resolution 1 by, or on behalf of:
*(a) a member of the key management personnel ("**KMP**") as disclosed in the 2021 remuneration report; and*
*(b) a closely related party ("**CRP**") (such as close family members and any controlled companies) of those persons,*
unless the vote is cast by a person described above as a proxy for a person who is entitled to vote on the resolution and:

(i) the proxy appointment is in writing that specifies the way the proxy is to vote and the person casts the vote as proxy in accordance with the directions as set out in the proxy form; or

(ii) the vote is cast by the Chairman of the Meeting pursuant to an express authorisation on the proxy form to vote as the proxy decides, and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Item 3: Re-election of Ms Leanne Muller (Resolution 2)

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

'That Ms Leanne Muller, who retires by rotation in accordance with the Company's constitution, and being eligible, be re-elected as a director of the Company.'

Item 4: Renewal of approval of the Data#3 Limited Long-Term Incentive Plan (Resolution 3)

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

'That, for the purposes of Exception 13 of ASX Listing Rule 7.2 (as an exception to ASX Listing Rule 7.1), and for all other purposes, approval is hereby given for all securities issued or acquired (as the case may be) under the Data#3 Limited Long-Term Incentive Plan, the terms and conditions of which are set out in the Explanatory Notes.'

Voting exclusion:
The Company will disregard any vote cast:
(a) on Resolution 3, by or on behalf of:
(i) a member of the KMP; and
(ii) their CRP,
in contravention of section 250BD of the Corporations Act; and
(b) in accordance with ASX Listing Rule 14.11, in favour of Resolution 3, by any person who is eligible to participate in the Long-Term Incentive Plan or any of their associates, regardless of the capacity in which the vote is cast.

However, the Company need not disregard a vote if it is cast by:
(a) a person as a 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
(b) the Chairman 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 Chairman to vote on the resolution as the Chairman decides; or
(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate or a person excluded from voting, on the resolution; and
(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Item 5: Approval to issue Rights to a related party: Mr Laurence Baynham (Resolution 4)

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

'That, for the purposes of ASX Listing Rule 10.14, and for all other purposes, approval is given for the Company to grant a maximum of 47,067 'Rights' (as that term is defined in the Explanatory Notes) to Mr Laurence Baynham (or his nominee), who is a director of the Company.'

Voting exclusion:
The Company will disregard any vote cast:
(a) on Resolution 4, by or on behalf of:
(i) a member of the KMP; and
(ii) their CRP,

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in contravention of section 250BD of the Corporations Act; and

(b) in accordance with ASX Listing Rule 14.11, in favour of Resolution 4, by Mr Laurence Baynham and any of his associates, regardless of the capacity in which the vote is cast.

However, the Company need not disregard a vote if it is cast by:

(a) a person as a proxy or attorney for a person entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way m; or

(b) the Chairman 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 Chairman to vote on the resolution as the Chairman decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate or a person excluded from voting, on the resolution; and

(ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

By order of the board

Terence Bonner
Company Secretary and General Counsel
17 September 2021

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ATTENDANCE VIA ONLINE PLATFORM

Shareholders are encouraged to participate in the meeting via the online platform. We recommend logging on to the online platform at least 30 minutes prior to the scheduled start time for the meeting using the following instructions:

1. Enter https://agmlive.link/DTL21 into a web browser on your computer or online device.
2. Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN), as printed on the holding statement.
3. Proxyholders will need their proxy code which Link Market Services will provide via email prior to the meeting.

Shareholders are encouraged to lodge their votes and submit any written questions ahead of the meeting by logging in to their portfolio or holding(s) via the share registry's website at www.linkmarketservices.com.au

Votes must be received by 2:00pm (Brisbane time) on Tuesday 26 October 2021.

DETERMINATION OF ENTITLEMENT TO ATTEND AND VOTE

The Company has determined under regulation 7.11.37 *Corporation Regulations 2001* (Cth) that for the purposes of voting at the meeting or adjourned meeting, shares in the Company will be taken to be held by the persons who are registered as shareholders as at 7:00pm (Brisbane time) on Tuesday 26 October 2021. Transactions registered after that time will be disregarded in determining entitlements to attend and vote.

PROXIES

If you are a shareholder entitled to attend and vote, you may choose to appoint a proxy.

The proxy need not be a shareholder of the Company. A shareholder 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 not specified, each proxy may exercise half of the votes.

To appoint a second proxy, please contact the Data#3 share registry (refer to the contact details below).

To be effective, the appointing document, together with the original or a certified copy of the power of attorney (if any) under which the voting form is signed, must be received no later than 2:00pm (Brisbane time) on Tuesday 26 October 2021 (48 hours before the commencement of the meeting).

CORPORATE REPRESENTATIVES

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with or presented to the Company 48 hours before the meeting.

QUESTIONS AND COMMENTS BY SHAREHOLDERS AT THE MEETING

In accordance with the Corporations Act, a reasonable opportunity will be given to shareholders to direct questions to the Chairman about, or to make comments on, the management of Data#3 at the meeting.

Similarly, a reasonable opportunity will be given to shareholders to ask Data#3's external auditor, Pitcher Partners, questions relevant to:

a) the conduct of the audit;
b) the preparation and content of the auditor's report;
c) the accounting policies adopted by Data#3 in relation to the preparation of its financial statements; and
d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Pitcher Partners if the question is relevant to the content of the audit report or the conduct of its audit of Data#3's financial report for the year ended 30 June 2021. Relevant written questions for Pitcher Partners must be received no later than 5:00pm (Brisbane time) on Thursday 21 October 2021.

Please send any written questions for Pitcher Partners:

- to Data#3's share registry - refer to the contact details below; or
- to Data#3 - by fax: 1300 32 82 32, or by email: info@data3.com.au

by no later than 5:00pm (Brisbane time) on Thursday 21 October 2021.

Shareholders will also able to ask a question or make a comment orally through a shareholder questions and comments phone line. To utilise the questions and comments phone line, please call Link Market Services on 1800 990 363 by 2:00pm (Brisbane time) on Tuesday 26 October 2021 to register your participation and obtain the required access code. Further details can be found in the Virtual Meeting Online Guide.

CONTACT DETAILS FOR SHARE REGISTRY

Link Market Services Limited
Locked Bag A14
SYDNEY SOUTH NSW 1235

Online:	www.linkmarketservices.com.au
Telephone:	+61 1300 554 474
Fax:	+61 2 9287 0309
Email:	registrars@linkmarketservices.com.au

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EXPLANATORY NOTES

These explanatory notes are provided to shareholders of the Company to explain the resolutions to be put to shareholders of the Annual General Meeting of Data#3 to be held at 2:00pm (Brisbane time) on Thursday 28 October 2021.

The directors recommend that shareholders read the accompanying notice of meeting and these explanatory notes in full before making any decision in relation to the resolutions.

Item 1: Financial statements and reports

The Corporations Act requires the Company to lay before the Annual General Meeting the financial report, directors' report and the independent auditor's report for the previous financial year. Copies of these reports have been sent to shareholders and are available on the Company's website: www.data3.com.au

No resolution is required for this item, but shareholders will be provided with a reasonable opportunity to ask questions or make comments in relation to these reports. The Company's auditor will also be present at the meeting and shareholders will be given the opportunity to ask the auditor questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

Item 2: Adoption of remuneration report (Resolution 1)

A resolution for the adoption of the remuneration report is required to be considered and voted on in accordance with section 250R(2) of the Corporations Act. The remuneration report is set out on pages 30 to 39 of the Company's 2021 annual report and identifies Data#3's key management personnel. They include all directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of Data#3, directly or indirectly.

This remuneration report:

- explains the principles used to determine the nature and amount of remuneration paid to key management personnel of Data#3;
- explains the link between the remuneration of key management personnel and Data#3's performance;
- provides details of the actual remuneration elements paid to key management personnel; and
- provides a summary of the terms of employment of the Chief Executive Officer and Managing Director, and other key management personnel.

A reasonable opportunity will be provided for discussion of the remuneration report at the meeting. The resolution is advisory only and does not bind the Company or the directors. The directors will consider the outcome of the vote and comments on the remuneration report made by shareholders at the meeting when reviewing the Company's remuneration policies.

If you choose to appoint a proxy, you are encouraged to direct your proxy on how to vote on this item.

As a result of recent amendments to the Corporations Act, the Chairman of the meeting is entitled to vote undirected proxies on this resolution that is connected with the remuneration of the Company's key management personnel. If you appoint the Chairman as your proxy and wish to support this resolution, please mark an 'X' in the box at Step 1 on the voting form.

Any undirected proxies held by other key management personnel or any of their closely related parties will not be voted on this item.

Directors' recommendation

As Resolution 1 relates to matters including the remuneration of the directors, the directors make no recommendation regarding Resolution 1 in the interests of good corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act.

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Item 3: Re-election of Ms Leanne Muller (Resolution 2)

Leanne Muller has served as a non-executive director of Data#3 Limited since February 2016. Leanne is required to retire by rotation at the 2021 Annual General Meeting, and being eligible, stands for re-election in accordance with the Company's constitution.

Information regarding Leanne Muller's qualifications, experience and responsibilities is summarised below:

> ***L M Muller, BCom, CA, GradDip App Fin and Inv, GAICD*** (*Non-executive Director)*
> Ms Muller has extensive experience in finance with a 30-year career in senior corporate financial management roles and professional advisory services roles. Ms Muller has previously held Chief Financial Officer (or equivalent roles) with RACQ, Uniting Care Queensland and Energex. Prior to those appointments, Ms Muller worked for PricewaterhouseCoopers and with the Australian Securities Commission. Ms Muller is currently on the boards of Sugar Terminals Limited, Guide Dogs Queensland, Peak Services Holdings Pty Ltd, Peak Services Pty Ltd, Local Buy Pty Ltd (trading as Peak Services), Mayflower Enterprises Pty Ltd, and Hyne Timber Group companies, and she also served on the board of QInsure Limited until 31 December 2019.
>
> *Special responsibilities:*
> - Chair of the audit and risk committee; and
> - Member of the remuneration and nomination committee.

Directors' recommendation

The directors, with Leanne Muller abstaining, recommend that shareholders vote in favour of Resolution 2, and the Chairman of the meeting intends to vote undirected proxies in favour of this resolution.

Item 4: Renewal of the approval of the Data#3 Limited Long-Term Incentive Plan (Resolution 3)

Resolution 3 seeks shareholder approval to renew the existing Data#3 Long Term Incentive Plan (**LTIP**) which was originally approved by shareholders at the Company's 2018 Annual General Meeting.

ASX Listing Rule 7.1 provides that any listed entity must not issue equity securities that total more than 15% of its fully paid ordinary shares in a 12-month period without the approval of shareholders (**15% Rule**). The ASX Listing Rules require that the approval of shareholders be sought where an issue of securities exceeds the 15% Rule. For employee incentive schemes, such as the LTIP, ASX Listing Rule 7.2 (Exception 13(b)) provides an exception to the requirement to obtain shareholder approval each time securities are issued under the plan. For this exception to apply, the ASX Listing Rules require shareholder approval in respect of any issues under the plan to be obtained every 3 years. In December 2019, amendments to the ASX Listing Rules took effect. Under the amended ASX Listing Rules, when seeking shareholder approval in relation to an employee incentive scheme (such as the ESOP), an entity must, among other things, now disclose in the relevant notice of meeting the maximum number of securities proposed to be issued under the scheme following the approval.

The existing LTIP was established in 2018 to replace a previous deferred share and incentive plan that was approved in 2007. Shareholders previously approved issues under this LTIP under the previous employee incentive scheme exception under ASX Listing Rule 7.2 at the Annual General Meeting held on 14 November 2018. As it has been three years since the original shareholder approval was obtained, the Company is now seeking to refresh approval of the LTIP, including the issue of securities under the LTIP, for the purpose of ASX Listing Rule 7.2, Exception 13, and for all other purposes.

The LTIP has been designed to align the interests of eligible employees with the interests of shareholders of the Company by enabling directors and employees to have involvement with, and share in the future and growth of, the Company and to assist the Company to attract, reward and retain high quality staff.

The board has the discretion to make grants to eligible employees under the LTIP and has the flexibility under the LTIP rules to grant either performance rights ('Rights') or options ('Options') to participants.

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If shareholder approval is obtained for the purposes of ASX Listing Rule 7.2 Exception 13, the Company will be able to issue securities under the LTIP (subject to the maximum number of securities to be issued under the LTIP as set out below under "Information required by ASX Listing Rule 7.2, Exception 13(b)" below) to eligible participants over a period of three years without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

If shareholder approval is not obtained, the Company will be able to proceed with the issue of securities under the LTIP (again, subject to the maximum number of securities to be issued under the LTIP as set out below under "Information required by ASX Listing Rule 7.2, Exception 13(b)") to eligible participants, but any issue of securities will reduce, to that extent, the Company's capacity to issue securities without shareholder approval under ASX Listing Rule 7.1 for the 12-month period following the issue of the securities.

It should be noted that any proposed issue of securities (whether Rights or Options) under the LTIP to a related party (including Directors) will require additional shareholder approval under Listing Rule 10.14 at the relevant time. If such additional shareholder approval for an issue of securities under the LTIP to a related party is not obtained, then those securities cannot be issued.

The terms of the 'refreshed' LTIP are the same as what was approved by shareholders at the 2018 AGM, and a summary of the key terms of the LTIP rules is provided below.

Information required by ASX Listing Rule 7.2, Exception 13(b)

- *Summary of the LTIP terms and rules*

  The full rules of the LTIP are available upon written request to the Company. A summary of the LTIP rules is set out below. Capitalised terms not otherwise defined in these explanatory notes will have the meaning given to them in the rules of the LTIP.

Securities	Under the LTIP, the Company may offer or issue Rights or Options (**"Awards")** to eligible participants. Rights are a right to be issued or transferred a fully paid ordinary share in the Company ("**Share**") for a nil exercise price upon satisfaction of specified vesting conditions. Options are a right to be issued or transferred a Share upon payment of an exercise price and which can only be exercised if specific vesting conditions are achieved.
Eligibility	The LTIP will be open to eligible employees, non-executive directors and consultants of the Company who the board determines in its absolute discretion are eligible to be issued an Award ("**Participants**").
Grant of Awards	The board has discretion to determine the issue price and/or exercise price for the Awards under the LTIP. The offer must be in writing and specify, amongst other things, the type of Award that may be applied for, the number of Awards being issued, the exercise period, any conditions to be satisfied before the Awards may be exercised or vested and the exercise price of the Awards (if any). The Awards may also be subject to specific terms established by the board. No consideration is payable by an Eligible Person for an issue of Options or grant of Rights, unless the board decides otherwise.
Vesting of Awards	Options and Rights will vest and become exercisable to the extent that the applicable performance, service, or other vesting conditions specified at the time of the grant are satisfied (collectively, the "**Relevant Vesting Conditions"**). Typically, the Relevant Vesting Conditions must be satisfied within a predetermined vesting period. Both the Relevant Vesting Conditions and the vesting period are set by the board in its discretion, and may be waived by the board in its discretion.
Exercise of Vested Options	Vested Options may be exercised, subject to any exercise conditions or specific terms established by the board or set out in the LTIP, by the participant giving a signed notice to the Company and paying the exercise price in full. Where necessary, the Company will apply for official quotation of any Shares issued on exercise of any Options subject to the rules of the LTIP.
Vesting of Rights	Rights will, subject to any specific terms established by the board, automatically vest upon satisfaction of the specified vesting conditions such that the corresponding number of Shares will be delivered for the benefit of the Participant. Where necessary, the Company will apply

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	for official quotation of any Shares issued on vesting of the Rights subject to the rules of the LTIP.
Lapse	The Awards shall lapse in accordance with specific offer terms or events contained in the LTIP rules, including but not limited to the board's determination that a Participant has committed an act which brings the Company into disrepute or is in breach of their obligations to the Company, or in the case of Vested Options where such options have not been exercised by the stated exercise expiry date.
Right of Participants	Once Shares are allotted or transferred to the benefit of a Participant upon exercise or vesting of the Awards (as applicable) the Participants will hold the Shares free of restrictions, unless the board determines otherwise. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue. Should the Company undergo any reorganisation of capital, the number of Awards may be adjusted in accordance with the Listing Rules and the determination of the board as applicable to the Awards at the time of reorganisation. In the event of a change of control, and subject to the Listing Rules and any applicable laws, the board may determine that: (a) a Participant's 'not vested' Awards will vest notwithstanding some or all of the vesting conditions have not been satisfied; (b) a Participant's 'not vested' Awards will lapse; or (c) a Participant's 'vested' or 'not vested' Awards are dealt with in a manner otherwise determined by the board. The Awards (prior to Shares being allotted or transferred) do not confer any rights on the Participant either as a member or creditor of the Company, are unlisted and are unsecured.
Assignment	The Awards are not transferable or assignable without the prior written approval of the board and must not be sold, assigned or otherwise disposed of or encumbered by Participants except in accordance with the rules of the LTIP and all applicable laws. The Company may at its discretion determine that disposal or other restrictions apply to some or all Awards and/or Shares issued on exercise or vesting of an Award and may determine the terms and conditions of such restrictions.
Administration	The LTIP will be administered by the board which has an absolute discretion to determine appropriate procedures for its administration and, subject to the Listing Rules and applicable laws, all decisions of the board as to the interpretation, effect or application of the plan rules and all calculations and determinations made by the board under the plan rules are final, conclusive and binding in the absence of manifest error.
Issue or acquisition of shares	The Company may, in its discretion, issue new Shares or cause existing Shares to be acquired or transferred to the Participant, or a combination of both alternatives, to satisfy the Company's obligations under the LTIP. If the Company determines to cause the transfer of Shares, the Shares may be acquired in such manner as the Company considers appropriate, including from a trustee appointed under the LTIP.
Trustee, withdrawal process and rights when Shares held by Trustee on behalf of Participant	The board may elect to use on such terms and conditions as determined by the board in its absolute discretion an employee share trust for the purposes of subscribing for, acquiring and holding Shares issued in accordance with the LTIP (or another plan or scheme implemented by the Company from time to time) for the benefit of Participants and participants in other employee plans or schemes established from time to time. The board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.
Termination and amendment	The LTIP may be terminated or suspended at any time by the board, or if an order is made or an effective resolution is passed for the winding up of the Company other than for the purpose of amalgamation or reconstruction. The LTIP may be amended at any time by the board provided that any amendment does not materially alter the rights of any participant in respect of the issue of Awards under the plan prior to the date of the amendment unless: (a) the amendment is introduced primarily for the purposes of complying with or conforming to present or future applicable legislation; (b) to correct any manifest error or mistake; or (c) to enable the plan of Company to comply with any applicable laws or any required policy.
Limits on Grant	If, when making an offer of Awards under the LTIP, the Company does so in reliance on ASIC Class Order [CO 14/1000], it must, at the time of making the offer, have reasonable grounds to

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	believe that the number of Shares that have been, or may be, issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of Shares at the time of making an offer: (a) Shares that may be issued under the offer or any other offer to be made under the Plan (to the extent offered in reliance on ASIC Class Order [CO 14/1000]); (b) Shares issued or that may be issued as a result of offers made at any time during the previous three year period under: i. the LTIP or any other employee incentive scheme in reliance on ASIC Class Order [CO 14/1000] or its predecessors; or ii. an ASIC exempt arrangement of a similar kind to an employee incentive scheme; and iii. the number of Shares which are the subject of the offer of Awards. Offers of Awards issued other than in reliance on ASIC Class Order [CO 14/1000] or its predecessors (such as offers received outside of Australia or under an exception in section 708 of the Corporations Act) will not be included in calculating the 5% limit.

- *Number of securities issued since last approval*

  Since the LTIP was approved by shareholders at the 2018 AGM, a total of 729,114 performance rights have been granted under the LTIP during 2018, 2019 and 2020. Of these, no performance rights have been forfeited and 354,879 performance rights remain on issue with vesting dates in 2022 and 2023. Since the date of the LTIP approval at the 2018 AGM, 374,235 shares have been issued upon exercise of performance rights which have vested.

- *Maximum number of securities to be issued under the scheme*

  The maximum number of performance rights proposed to be issued under the LTIP following the shareholder approval over the three-year period from the date of this Annual General Meeting is approximately 750,000 performance rights (representing 0.49% of issued capital at the date of this notice of meeting). This maximum is not intended to be a prediction of the actual number of performance rights to be issued under the LTIP but is specified for the purposes of setting a ceiling on the number of performance rights approved to be issued under and for the purposes of ASX Listing Rule 7.2, Exception 13(b). Once that number is reached, any additional issues of performance rights under the LTIP would not have the benefit of Exception 13 without a fresh shareholder approval and will only be able to be made without shareholder approval under ASX Listing Rule 7.1 if the Company has sufficient placement capacity available at the time under ASX Listing Rule 7.1 (or if applicable ASX Listing Rule 7.1A).

  Details of any performance rights granted under the LTIP will be published in the Company's annual report for the year in which they are granted.

- *Voting exclusion*

  A voting exclusion in respect of this Item 4 has been included in the notice of meeting.

Directors' recommendation

The directors abstain from making a recommendation in relation to Resolution 3, in the interests of good corporate governance. Further, as the directors are "Key Management Personnel" for the purposes of the Corporations Act, in compliance with ASIC's policy in these circumstances none of the Directors will be making recommendations as to voting on this resolution (as the voting exclusion statement set out on page 2 of this Notice of Meeting records).

Item 5: Approval to Issue of Rights to a related party: Mr Laurence Baynham (Resolution 4)

Laurence Baynham is Managing Director and Chief Executive Officer of the Company, and a related party of the Company by virtue of him being a director (and so is within the category of persons in Listing Rule 10.14.1).

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Accordingly, the Company seeks shareholder approval for the purposes of ASX Listing Rule 10.14 and for all other purposes to grant a maximum of 47,067 performance rights with the key terms detailed below ("**Rights**") and any fully paid ordinary shares ("**Shares**") issued on vesting of those Rights to Laurence Baynham (or his nominee).

Subject to obtaining the required shareholder approval detailed below, the Rights will be issued under and subject to the terms of the Data#3 Limited Long Term Incentive Plan ("**LTIP**") approved originally at the annual general meeting for the Company held in 2018, and up for re-approval per Resolution 3 of this annual general meeting (the terms of which have been summarised elsewhere in this notice of meeting) and otherwise on the terms set out below ("**Rights Issue**").

ASX Listing Rule 10.14 provides that a listed Company must not permit any of the following persons to acquire securities under an employee incentive scheme:

10.14.1 a director of the Company;
10.14.2 an associate of a director of the Company;
10.14.3 a person whose relationship with the Company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders;

unless it obtains the approval of its shareholders.

The Rights Issue falls within Listing Rule 10.14.1 and therefore requires the approval of Data#3's shareholders under Listing Rule 10.14.

The board has decided to grant these Rights as part of Laurence Baynham's remuneration package, and in recognition of his contribution to the Company. The board considers the grant of Rights to be a cost-effective long-term incentive method, which further aligns the interests of the Managing Director and Chief Executive Officer with shareholders by linking long-term incentives to growth in the Company's earnings per share. This approach is consistent with best practice in executive remuneration and corporate governance.

If Resolution 4 is passed, the Company will be able to proceed with the Rights Issue on the terms (and with the effects) detailed below.

If Resolution 4 is not passed, the Company will not be able to proceed with the Issue and will consider other ways to recognise Laurence Baynham's contribution to the Company and incentive methods, which may include a cash-based incentive.

If approval is obtained pursuant to ASX Listing Rule 10.14, the Company is entitled to rely on ASX Listing Rule 10.12 (exception 8) as an exception to any requirement that may otherwise apply requiring shareholder approval under ASX Listing Rule 10.11. Similarly, approval will not be required under Listing Rule 7.1.

Key terms of the Rights

The Rights will be subject to the following key terms and conditions:

- each Right is a right for Laurence Baynham (or his nominee) to be issued one Share upon satisfaction of the following vesting conditions ("**Relevant Vesting Conditions**"):
    - Laurence Baynham remains an employee of the Company on the date the Relevant Vesting Conditions are satisfied;
    - the Rights will vest on a straight-line proportional basis, from 0 up to a maximum of 47,067 Shares based on the actual cumulative earnings per share over a three year period ending on 30 June 2024 ("**Vesting Period**") compared to a target as determined by the board;
- notwithstanding the specific vesting conditions outlined above, in accordance with the LTIP rules the board may, in its absolute discretion, waive or alter the Relevant Vesting Conditions;
- prior to vesting the Rights will not be transferrable other than with the written consent of the board;
- prior to vesting the Rights do not carry any dividend or voting rights; and
- the Rights will automatically vest (subject to another determination by the board) such that the corresponding number of Shares will be delivered for the benefit of Laurence Baynham upon satisfaction of the Relevant Vesting Conditions.

In accordance with the requirements under ASX Listing Rule 10.15:

(a) Laurence Baynham is a director of the Company ("**LR 10.14.1 Party**");

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(b) the number of Rights that may be acquired by Laurence Baynham in accordance with this resolution is 47,067 calculated by taking $256,000 and dividing that by the volume weighted average price of the Shares for the five day trading period commencing on the day after the 19 August 2021 announcement to the ASX of the Company's results for the year ended 30 June 2021, being $5.439 per Share;

(c) for the purposes of ASX Listing Rule 10.15.4, the details of Laurence Baynham's total remuneration package for the year ending 30 June 2022 are set out below:

	$
Cash salary	546,833
Superannuation	23,568
Short-term incentive	274,667
Proposed long-term incentive	256,000
Total remuneration package for FY22	1,101,068

(d) for the purposes of ASX Listing Rule 10.15.5, Laurence Baynham has previously been granted the following Rights under the LTIP since the LTIP was last approved by shareholders at the 2018 AGM:

- 98,160 Rights as approved at the 2018 AGM as disclosed in the Company's 2019 annual report;
- 65,574 Rights as approved at the 2019 AGM as disclosed in the Company's 2020 annual report; and
- 27,510 Rights as approved at the 2020 AGM as disclosed in the Company's 2021 annual report

("**Previous Issues"**). Of these Rights, 98,160 Rights vested on 1 September 2021, with the remaining Rights scheduled to vest following the release of the FY22 and FY23 financial results subject to satisfaction of the Relevant Vesting Conditions in accordance with the terms previously disclosed.

(e) for the purposes of ASX Listing Rule 10.15.5, the average acquisition price for the Previous Issues was nil and they have a nil exercise price;

(f) for the purposes of ASX Listing Rule 10.5.6:

(i) Rights are being issued rather than Options (being the two types of Securities that are able to be issued under the LTIP), for consistency with the Previous Issues;

(ii) a summary of the material terms of the Rights and the rules of the LTIP are set out in this notice of meeting; and

(g) the Company has attributed a value of $256,000 to the Rights, which has been determined with reference to independent benchmarking and advice regarding Laurence Baynham's remuneration for the financial year ending 30 June 2022. The maximum value of Laurence Baynham's long-term incentive award is equivalent to 23.25% of his total remuneration if 100% of his short-term and long-term incentives are achieved (refer to 'Key Terms of the Rights' above for further detail). For the purposes of ASX Listing Rule 10.15.8, the Rights will be granted for nil consideration on the basis their grant represents an incentive for future performance, and will be subject to the Relevant Vesting Conditions, and the Rights have a nil exercise price;

(h) whilst participating in the LTIP is open to all executive and non-executive directors, the board has determined that Laurence Baynham, as the Company's current executive director, is the only director eligible to participate in the LTIP at this time;

(i) subject to shareholder approval, it is intended that the Rights will be issued within five days after the 2021 annual general meeting, but in any event will be issued no later than twelve months after the meeting in accordance with ASX Listing Rule 10.15.7;

(j) for the purposes of ASX Listing Rule 10.15.10, there are no loan arrangements with Laurence Baynham in relation to the acquisition of the Rights; and

(k) for the purposes of ASX Listing Rule 10.15.11:

- details of any Rights or Options issued under the LTIP will be published in the Company'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; and
- any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of Rights or Options under the LTIP after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

Other general terms of the Rights

The other general terms of the Rights are:

- should the Company undergo any reconstruction of capital, the number of Rights may be adjusted in the board's discretion in accordance with the ASX Listing Rules and other laws as applicable at the time of the reorganisation;

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- all Shares issued pursuant to vesting of the Rights will, subject to the constitution of the Company, rank equally in all respects (other than in respect of dividends, rights issues or bonus issues declared prior to allotment) with the existing Shares at the date of issue and allotment;
- the Rights do not entitle the holder to participate in any new issues by the Company without having vested into Shares; and
- the Rights will not be quoted on the ASX.

Corporations Act

Under Chapter 2E of the Corporations Act a public Company cannot give a financial benefit to a related party unless an exception applies or shareholders have, in a general meeting, approved the giving of that financial benefit.

Laurence Baynham is a related party of the Company due to the fact that he is a director. The issue of the Rights will constitute the giving of a financial benefit to a related party for the purposes of section 229(3)(e) of the Corporations Act.

The board of the Company (excluding Laurence Baynham) considers that the issue of the Rights to Laurence Baynham constitutes reasonable remuneration within the meaning of the exception in section 211(1) of the Corporations Act on the basis that the Rights are a necessary part of the incentive and remuneration package for Laurence Baynham in his current role and having regard to the circumstances of the Company, the duties and responsibilities of Laurence Baynham and market levels of remuneration for people in his position in similar sized companies. Therefore, the Company is not seeking shareholder approval pursuant to section 208 of the Corporations Act in addition to the approval being sought under the Listing Rules.

Existing interests and the dilutionary effect on other shareholders' interests

The effect that the grant and vesting of the Rights will have on the interest of Laurence Baynham relative to other shareholders' interests is set out in the following table:

Details as at the date of this Notice of Meeting	**Number**
The total number of Shares on issue in the capital of the Company	154,349,185
Shares currently held by director (including indirect interests)	234,751
% of Shares currently held by director (including indirect interests)	0.15%
Rights to be issued under Resolution 4 to director (or his nominee) following the Annual General Meeting	Maximum of 47,067
The total number of Shares on issue in the capital of the Company following the vesting of all Rights held by director (assuming no other Rights or Options were exercised and no other Shares or other equity securities are issued)	154,489,336
Shares that will be held following the vesting of all Rights held by director (assuming no other Rights or Options or Shares are held by, exercised or vested by Laurence Baynham (including indirect interests)	Maximum of 374,902
% of Shares that would be held by director following the vesting of all Rights assuming no other Awards held by other parties were exercised or vested (as applicable) (and assuming no other Rights or Options or Shares are held by, exercised or vested by Director (including indirect interests)	Maximum of 0.24%

Directors' recommendation

The directors abstain from making a recommendation in relation to Resolution 4, in the interests of good corporate governance.

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Data#3

ABN 31 010 545 267

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Data#3 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
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

X99999999999

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PROXY FORM

I/We being a shareholder(s) of Data#3 Limited and entitled to attend and vote hereby appoint:

STEP 1 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 and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

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 **2:00pm (Brisbane time) on Thursday, 28 October 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a virtual meeting and you can participate by logging in online at https://agmlive.link/DTL21 (refer to details in the Virtual Meeting Online Guide).

Important for Resolutions 1, 3 and 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 3 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

STEP 2 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 Adoption of the remuneration report	☐	☐	☐
2 Re-election of Ms Leanne Muller	☐	☐	☐
3 Renewal of approval of the Data#3 Limited Long-Term Incentive Plan	☐	☐	☐
4 Approval to issue Rights to a related party: Mr Laurence Baynham	☐	☐	☐

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 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).

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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 and email address 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

If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP

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 Virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General 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 **2:00pm (Brisbane time) on Tuesday, 26 October 2021,** 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) as shown on the front of the Proxy Form).

BY MAIL

Data#3 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*
Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm) and subject to public health orders and restrictions

COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.

ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).