



AmericanPacific

BORATES LIMITED

SCHEME MEETING

10.00 AM (AEDT) FRIDAY, 3 DECEMBER 2021



Note: If you need help using the online platform during the Scheme Meeting, please call **+61 3 9415 4024**

CHAIR'S ADDRESS

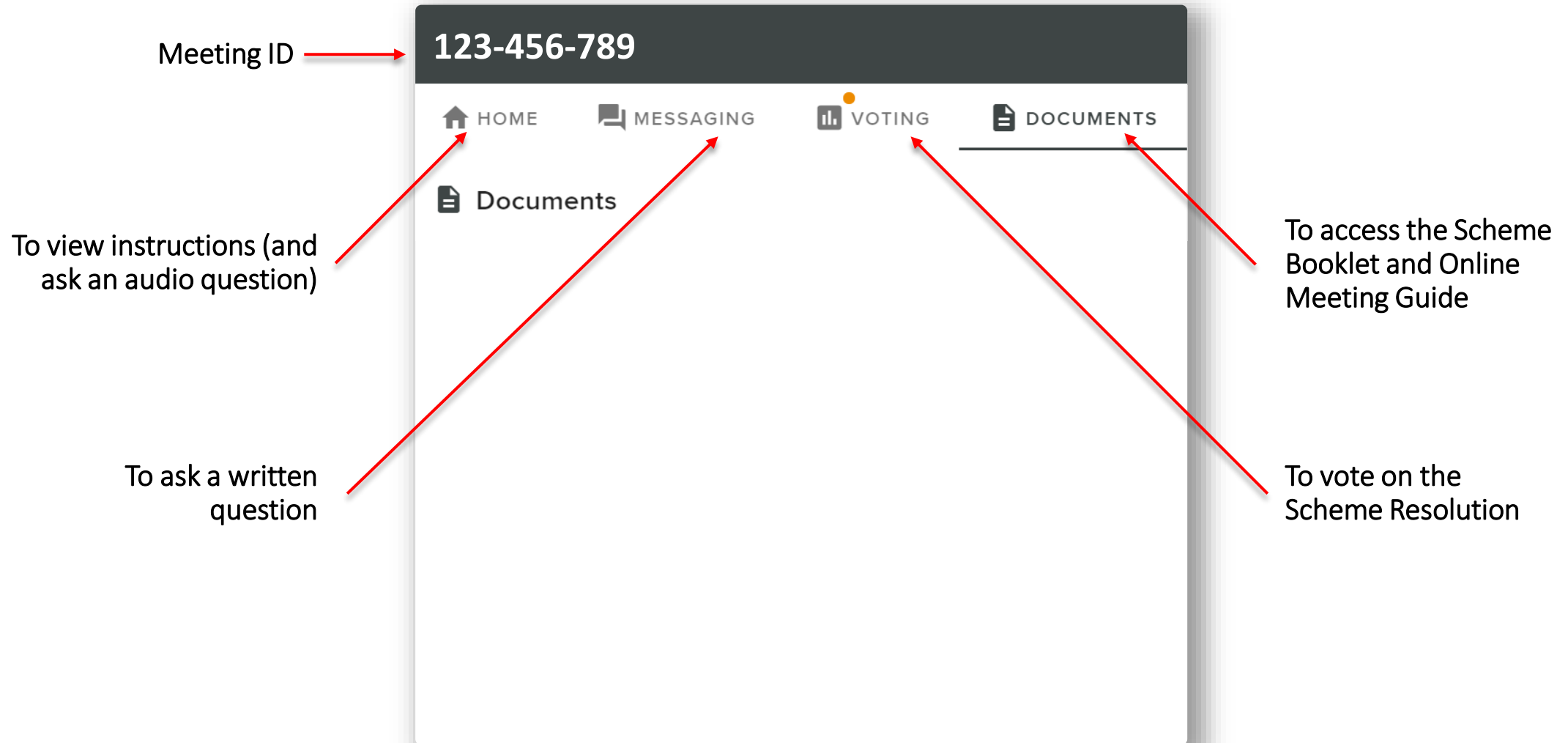
DAVID J. SALISBURY
NON-EXECUTIVE CHAIR



PROCEDURAL MATTERS

OVERVIEW OF THE ONLINE PLATFORM

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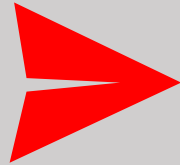
PROCEDURAL MATTERS

HOW TO ASK A WRITTEN QUESTION

When the question function is available, the messaging tab will appear at the top of the screen



To submit a question, type your question in the “Ask a question” box and press the send arrow



Your question will be sent immediately for review



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123-456-789

HOME

MESSAGING

VOTING

Messaging

Ask a question



Moderator

Type your question in the box above and then press the send arrow. Please include the number of the resolution at the beginning of your question. Questions may be moderated or amalgamated if there are multiple questions on the same topic

PROCEDURAL MATTERS

HOW TO ASK AN AUDIO QUESTION

Note: If you need help using the online platform during the Scheme Meeting, please call **+61 3 9415 4024**

When the audio questions line is available, a link will appear on the home tab titled **Asking Audio Questions**

If you would like to ask an audio question, **pause the meeting broadcast** and click on the link

You will be prompted to enter your name and the topic of your question before being placed in the audio questions queue

123-456-789

HOME

MESSAGING

VOTING

Instructions

Watching the Webcast

Press **play** to begin the broadcast. Ensure your device isn't muted and the volume is turned up. On mobile devices, the broadcast can be minimised and audio will continue to play.

Asking Text Questions

Select the **MESSAGING** tab at the top of this page, then type your question in the box provided and press the send arrow.

Asking Audio Questions

If you would like to ask a question verbally, **pause the broadcast** and then click **HERE**. You will be connected to the audio questions line where you can listen to the meeting while waiting to ask your question. Please return to this page if you have any issues.

Voting

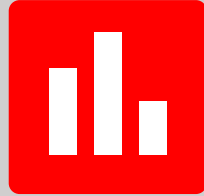
When voting opens, a **VOTING** tab will appear at the top of the screen. Selecting this tab will open a list of resolutions, select **For**, **Against** or **Abstain** to cast your vote. There is no enter or send button. You may however cancel your vote and enter a new selection while voting is open.

PROCEDURAL MATTERS

HOW TO VOTE

Note: If you need help using the online platform during the Scheme Meeting, please call **+61 3 9415 4024**

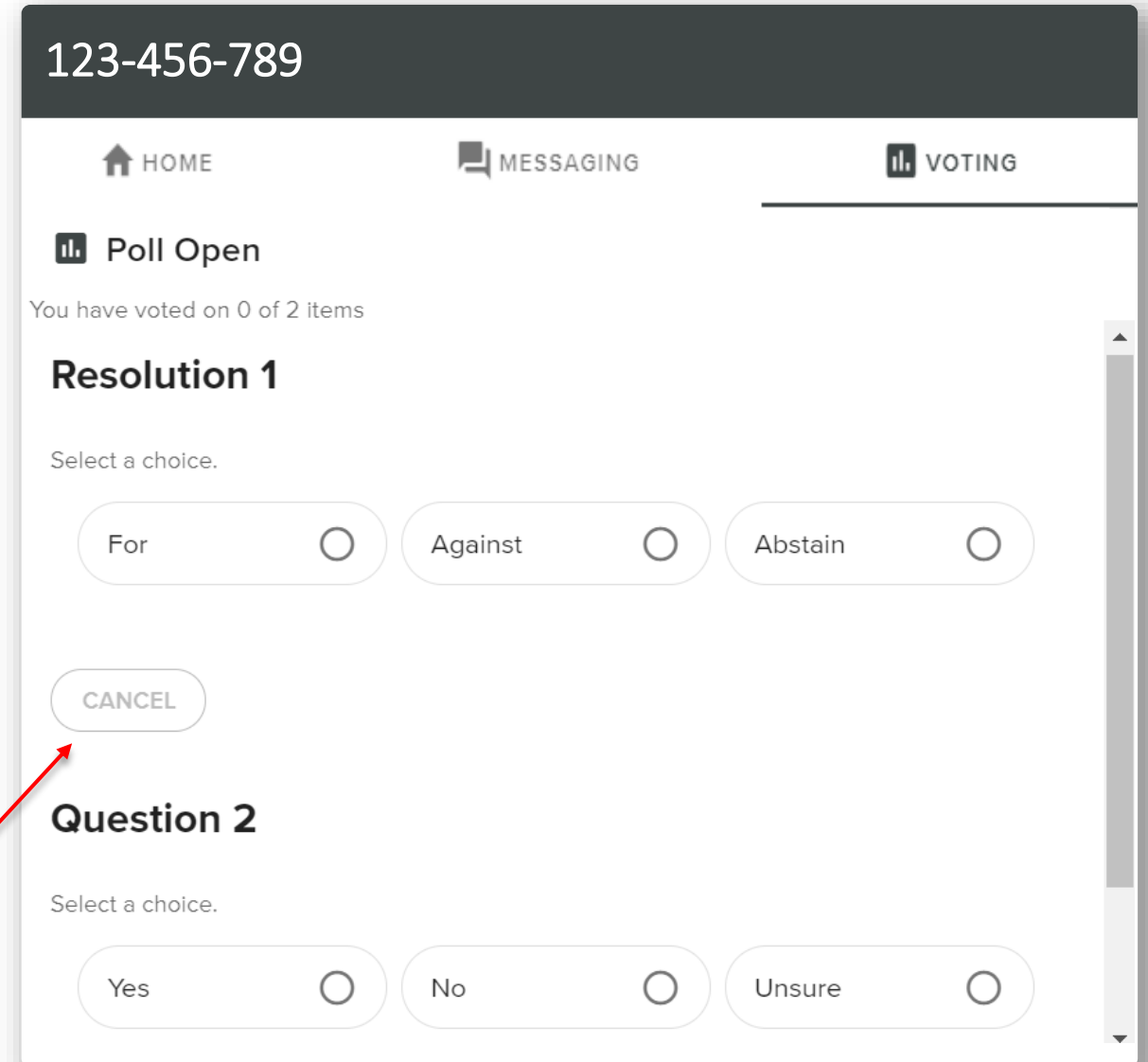
When open, the vote will be accessible by selecting the voting tab at the top of the screen



To vote simply select the direction in which you would like to cast your vote. The selected option will change colour

For Against Abstain

There is no submit or send button, your selection is automatically recorded. You can change your mind or cancel your vote any time before the poll is closed



123-456-789

HOME MESSAGING VOTING

Poll Open

You have voted on 0 of 2 items

Resolution 1

Select a choice.

For Against Abstain

CANCEL

Question 2

Select a choice.

Yes No Unsure

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OVERVIEW OF THE SCHEME

1. PURPOSE OF THE MEETING
2. KEY CONSIDERATIONS
3. RECOMMENDATION OF THE ABR BOARD
4. INDEPENDENT EXPERT'S CONCLUSION
5. IMPLEMENTATION



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QUESTIONS



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FORMAL BUSINESS

SCHEME RESOLUTION

That pursuant to and in accordance with section 411 of the Corporations Act, the Scheme proposed to be entered into between the Company and holders of its ordinary shares (the details of which are described in the Scheme Booklet of which the notice convening this Scheme Meeting forms part) is agreed to (with or without any amendment, or any alterations or conditions as approved by the Court to which the Company and Holdco agree)



VOTING ON THE SCHEME RESOLUTION

PROXIES RECEIVED

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	Number of votes cast	% of votes cast	Number of shareholders	% of shareholders
For	242,491,225	98.51%	312	92.31%
Open (*)	2,113,620	0.86%	21	6.21%
Against	1,552,521	0.63%	5	1.48%
TOTAL	246,157,366	100%	338	100%
Abstain (**)	4,811	-	2	-
Requisite majorities for resolution to PASS	At least 75%		More than 50%	

* Open proxies in favour of the Chair will be voted in **favour** of the resolution.

** Votes in relation to a shareholder who abstains from voting are not counted in determining the requisite majorities.

CLOSE OF SCHEME MEETING





AmericanPacific

BORATES LIMITED



AMERICAN PACIFIC BORATES LIMITED

SCHEME MEETING – CHAIR'S SCRIPT

3 December 2021 at 10.00 am

SLIDE 1 - SCHEME MEETING COVER SLIDE

SLIDE 2 - CHAIR ADDRESS

Good morning and welcome to this Scheme Meeting of the shareholders of American Pacific Borates Limited. I am informed by our Company Secretary Aaron Bertolatti that there is a quorum present so I declare this meeting open.

My name is David Salisbury and I am a director and the Chair of ABR. It is my pleasure to chair today's meeting. On behalf of the ABR Board, I would like to thank you for joining us today.

This meeting has been called to enable ABR shareholders to consider and vote on a resolution to approve a scheme of arrangement under which it is proposed that all shares in ABR held by ABR Shareholders will be transferred to 5E Advanced Materials, Inc (which I will refer to as **HoldCo**). Holdco was incorporated in the US state of Delaware for the purposes of re-domiciling ABR to the United States under the Scheme. If the Scheme is implemented, Holdco's business will consist entirely of the business of ABR, which will become a wholly-owned subsidiary of Holdco.

This meeting is being held exclusively by way of this live webcast. There is no physical meeting.

I am joined today by my fellow ABR director, Stephen Hunt, and by the Company Secretary, Aaron Bertolatti.

Representatives are also present from our legal advisers Baker McKenzie, represented by Sean Duffy, and our share registry Computershare, represented by Wendy Turner, who will also be the Returning Officer for today's meeting.

If any attendees today experience technical difficulties or have any questions about the virtual meeting process, there is a helpline available during this meeting. Please dial +61 3 9415 4024 to access this helpline, which is also displayed at the top right of the slides on your screen. You can also refer to the 'Online Meeting Guide' prepared by Computershare for the Scheme Meeting is available on the online platform today to

download if you do not already have a copy. We will provide instructions on how this may be accessed in just a moment.

If we experience any technical issues during today's meeting that result in a significant number of shareholders being unable to reasonably participate, I will adjourn this meeting. If that occurs, we will lodge an ASX release that sets out the details of the reconvened meeting. We would hope that any technical issues can be resolved quickly, and the reconvened meeting held later today. Please check the ASX if this happens.

SLIDE 3 - PROCEDURAL MATTERS: OVERVIEW OF THE ONLINE PLATFORM

First, I would like to provide an overview of the online platform.

You will see today's presentation slides on the online platform. These presentation slides were lodged with the ASX this morning and are available on the ASX website.

At the top of the online platform there are four icons:

- 'Home', which provides instructions on how to use the online platform;
- 'Messaging', to ask a written question;
- 'Voting', to cast your vote; and
- 'Documents', to download the documents relevant to this meeting.

The two documents available for download are:

- the Scheme Booklet including the Notice of Meeting; and
- the Online Meeting Guide, which provides detailed guidance on how to use the online platform.

SLIDE 4 - PROCEDURAL MATTERS: HOW TO ASK A TEXT QUESTION

All shareholders or appointed proxies have an opportunity to ask questions during today's meeting, either by submitting a written question or by asking an audio question.

If you would like to ask a question in writing, select the 'Messaging' icon and type your question in the 'Ask a question' box. Once you are happy with your question, select the 'Send' icon.

SLIDE 5 - HOW TO ASK AN AUDIO QUESTION

If you wish to ask an audio question, please click on the hyperlink that is displayed on the home page of the platform - as you can see on the slide now. The link will redirect you to an audio questions line where you can listen to the meeting while waiting to ask your question.

You may submit questions at any time from now.

Please note that while you can submit questions at any time, I will only address questions at the relevant time in the meeting. Questions must be relevant to the business of today's meeting, being the approval of the Scheme. Please also note all questions submitted will be moderated by the company secretary Aaron Bertolatti.

Once again, if you experience any difficulties with the platform, there is a helpline number displayed at the top of the page which you can call. That number again is +61 3 9415 4024

SLIDE 6 - PROCEDURAL MATTERS: HOW TO VOTE

As the format of this virtual meeting is different from a standard physical meeting, I will briefly discuss the process of the meeting and how voting will be conducted.

As outlined in the Scheme Booklet, voting on the resolution will be conducted by a poll.

Shareholders or their proxyholders, attorneys and corporate representatives are entitled to vote on the scheme resolution. Shareholders had the option to appoint a proxy for today's meeting. If you did not do this, you may also vote via the online platform. Instructions on how to do this are displayed on the slides now.

Once I declare the poll open, resolution and voting choices will be accessible by selecting the 'Voting' icon at the top of the online platform. To cast a vote, you must click on the button that corresponds to the way in which you want to vote on the scheme resolution. The voting options are as follows:

- 'For' – to vote in favour of the Scheme Resolution;
- 'Against' – to vote against the Scheme Resolution; and
- 'Abstain' – to abstain from voting on the Scheme Resolution.

Once you select a voting option, it will change colour.

At any time prior to the close of the poll, you may change your vote by either clicking the button of your revised vote or by clicking the 'Cancel' button that will appear on your screen once a voting option is selected.

When I close the poll, the voting buttons will disappear and your vote on the Scheme Resolution will be cast in accordance with the option you selected.

I will give you a clear prompt in the meeting to let you know when the poll is about to close.

As disclosed in the Scheme Booklet and proxy form, I will cast all undirected proxies that I hold in my capacity as Chair of the meeting in favour of the Scheme Resolution.

Wendy Turner from Computershare has agreed to be the Returning Officer today. Following confirmation by Computershare, the final results of the proxy votes received before the meeting and the results of the poll will be announced to the ASX as soon as available today and will also be posted on the ABR website.

I declare that voting is now open.

SLIDE 7 - OVERVIEW OF THE SCHEME

Purpose of the Meeting

The purpose of this meeting is for ABR shareholders to consider and, if thought fit, approve a scheme of arrangement under which it is proposed that all shares in ABR held by ABR Shareholders will be transferred to Holdco.

ABR shareholders who have elected to receive communications electronically have been sent an email containing links to access the Scheme Booklet and to submit a proxy online. A small number of shareholders have received a hard copy of the Scheme Booklet. All other ABR shareholders have been sent a hard copy Notice and Access form, which contains instructions on how to download the Scheme Booklet by using a QR code or accessing the ABR website, together with a hard copy personalised proxy form. A copy of the Scheme Booklet was also made available to ABR shareholders on the ASX website.

The Scheme Booklet includes, among other things, an overview of the Scheme, the key considerations relevant to each shareholder's vote, including reasons to vote in favour of, or against, the Scheme, the risks associated with the Scheme, the tax implications, and a notice convening today's meeting.

The Scheme Booklet outlines the proposed Scheme and attaches the scheme transaction documents and the independent expert report prepared by Grant Thornton Corporate Finance. While I will take these documents as read, I would like to draw your attention to some important considerations about the proposed Scheme.

Key Considerations

Sections 1 and 2 of the Scheme Booklet set out reasons why you might vote in favour of the Scheme and reasons why you may wish to vote against the Scheme. Risk factors associated with the Scheme are outlined at Section 7 of the Scheme Booklet.

The commercial purpose of the Scheme is to effect a re-domicile of ABR to the United States by way of a direct listing on the NASDAQ for Holdco. The NASDAQ direct listing will be effected by way of the scheme under which:

- (a) all shares held by ABR Shareholders will be transferred to Holdco in exchange for the issue of shares in Holdco or Holdco CHESS Depository Interests (which I will refer to as **Holdco CDIs**);
- (b) Holdco will become the ultimate parent company of the ABR Group, and ABR will become a wholly owned subsidiary of Holdco;
- (c) Holdco will maintain a primary listing on NASDAQ, with Holdco Shares being listed for trading promptly following the implementation of the Scheme (subject to authorisation from NASDAQ);
- (d) Holdco will maintain a secondary listing on the ASX, with Holdco CDIs expected to commence trading on a deferred settlement basis on the business day after the Effective Date of the Scheme (subject to necessary ASX approvals);
- (e) as consideration for transferring ABR Shares to Holdco under the Scheme, eligible ABR Shareholders will be entitled to receive either:
 - i. 1 Holdco Share for every 10 ABR Shares held (if you elect to receive Holdco Shares); or
 - ii. 1 Holdco CDI for every ABR Share held (if you do not elect to receive Holdco Shares);
- (f) following implementation of the Scheme, 1 Holdco Share (which will be traded on NASDAQ) will be equivalent to 10 Holdco CDIs (which will be traded on ASX);
- (g) eligible ABR Shareholders will hold an equivalent proportional interest in Holdco as they held in ABR prior to the implementation of the Scheme. This will be the case notwithstanding the recent placement of shares with three global

institutional investors, which raised A\$37 million, as announced to the ASX on 23 November. This placement does not affect the Scheme Consideration which you will receive, or the fact that you will hold an equivalent proportional interest in Holdco as you held in ABR if the Scheme is implemented;

- (h) Holdco Shares and Holdco CDIs will be transferable, meaning it is possible to transfer holdings from Holdco CDIs to Holdco Shares and vice versa; and
- (i) options in ABR will be cancelled in consideration of the grant of equivalent rights to acquire Holdco Shares on the basis of 1 Holdco Option for every 10 existing ABR Options held.

The ABR Board considers that the Scheme:

- (a) will position the ABR Group in a more appropriate capital market, given that all of its assets are located in the United States, thereby enabling investors to more clearly evaluate the performance and future prospects of the Company, as compared to its peers;
- (b) may increase the attractiveness of the ABR Group to a broader US investor pool that previously could not, or are unlikely to invest in non-US securities, leading the ABR Group to be more fully valued over time by a greater number of investors;
- (c) may increase the ABR Group's access to lower-cost debt or equity capital in the US market, which is larger and more diverse than the Australian capital market. This increased access to US capital may enable future growth to be financed at a lower cost; and
- (d) will allow the ABR Group to streamline its business operations, as the corporate structure would be aligned with the core of its business operations. Currently, substantially all of the ABR Group's assets and management are in the United States.

Recommendation of the ABR Board

The ABR Board, after carefully considering the advantages, disadvantages and risks of the Scheme, unanimously recommends that you vote in favour of the Scheme, subject to the Independent Expert continuing to conclude that the Scheme is in the best interests of shareholders.

The members of the Board have each instructed that the shares owned or controlled by them be voted in favour of the Scheme or will vote the shares owned or controlled by them in favour of the Scheme at today's meeting.

Independent Expert's Conclusion

Grant Thornton Corporate Finance, the Independent Expert appointed by ABR to assess the merits of the Scheme, concluded that in its view the Scheme is in the best interests of ABR shareholders. A full copy of the Independent Expert's Report is included in the Scheme Booklet.

Implementation

The Scheme is subject to various conditions precedent which are described in further detail in Section 9 of the Scheme Booklet.

They include Holdco Shares having been authorised for listing on NASDAQ and Holdco being admitted to the official list of ASX and the Holdco CDIs being granted official quotation.

As announced to the ASX on 29 November 2021, the listing of Holdco on NASDAQ is now likely to occur in early calendar year 2022 (with the SEC and NASDAQ registrations expected to be completed by then). As a result, the second Court hearing, which is currently scheduled to be held on 8 December 2021, will be deferred.

A revised timetable, including details of the second Court hearing, will be announced to the ASX once timing for the NASDAQ listing has been confirmed.

If the Scheme Resolution is passed by the requisite majorities of ABR shareholders at today's meeting, and all other relevant conditions precedent required by 8.00 am on the second Court hearing date have been satisfied or waived, ABR intends to seek orders from the Federal Court of Australia at the second Court hearing to approve the Scheme.

If the Court approves the Scheme, a copy of the Court orders will be lodged with ASIC, following which the Scheme will become legally effective, and ABR shares will be suspended from trading on the ASX.

Lodgement of the Court orders with ASIC and suspension from trading on the ASX is expected to occur on the same day as the Court approval.

The Scheme is then expected to be implemented 7 Business Days after the second Court hearing, and it is on this date that the Scheme consideration will be provided to shareholders in respect of shares held on the record date for the Scheme, which is

expected to be 7.00 pm (AEDT) on the second Business Days after the second Court hearing.

If the outstanding conditions precedent are not satisfied or the Scheme is not approved, the Scheme will not proceed and ABR will continue as a standalone entity listed on the ASX.

SLIDE 8 - QUESTIONS

Aaron Bertolatti will now read out any written questions that have been submitted during the meeting and I will take any oral questions. I will either answer the questions or will pass those questions onto the most appropriate person from ABR to answer.

[Questions and answers]

I will now give shareholders the opportunity to submit any further questions in relation to the business of the meeting. Given the time delay of the online platform, I will wait for 30 seconds before proceeding.

[Wait 30 seconds]

Thank you for your patience. I will again hand over to Aaron to read out any further questions that have been submitted.

[Questions and answers]

[Or if no questions] No further questions have been submitted in relation to the business of the meeting.

Thank you for your questions.

SLIDE 9 - FORMAL BUSINESS: SCHEME RESOLUTION

We will now move to the formal business of the meeting.

ABR shareholders are now requested to consider the Scheme Resolution which is set out in the notice convening today's meeting as follows:

"That pursuant to and in accordance with section 411 of the Corporations Act, the Scheme proposed to be entered into between the Company and holders of its ordinary shares (the details of which are described in the Scheme Booklet of which the notice convening this Scheme Meeting forms part) is agreed to (with or without any

amendment, or any alterations or conditions as approved by the Court to which the Company and Holdco agree)."

For the Scheme Resolution to be passed at today's meeting:

- a majority in number (more than 50%) of ABR shareholders who vote at this scheme meeting, whether virtually in person or by proxy, attorney or representative, must vote in favour of the Scheme Resolution; and
- at least 75% of the total number of ABR shares (that is, votes) voted at this meeting, again whether virtually in person or by proxy, attorney or representative, must be voted in favour of the Scheme Resolution.

SLIDE 10 - VOTING ON SCHEME RESOLUTION: PROXIES RECEIVED

I confirm that there are no shareholders excluded from voting on the resolution.

The proxies received in respect of the scheme resolution are now shown on screen and are as follows:

- 242,491,225 votes in favour from 312 shareholders;
- 2,113,620 votes undirected from 21 shareholders, which I will vote in favour; and
- 1,552,521 votes against from 5 shareholders.

4,811 proxies from 2 shareholders abstained and are accordingly not counted when determining the outcome of the scheme resolution.

I now put the Scheme Resolution to the meeting once more. If you haven't already done so, please cast your vote via the voting option on your screen or device. I will close the voting on the poll in approximately 30 seconds.

[Pause to allow time for voting]

SLIDE 11 - CLOSE OF SCHEME MEETING

The poll for the Scheme Resolution is now closed and that concludes the formal business proceedings of today's meeting. The results will be announced to the ASX as soon as available today and will also be posted on ABR's website.

On behalf of the ABR Board and management, I would like to thank you for attending and participating in today's meeting. I now declare the meeting closed for all purposes, subject to the conduct and conclusion of the poll.

Authorised for release by: Aaron Bertolatti, Company Secretary

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