

ASX ANNOUNCEMENT

2021 AGM Notice of Meeting and Proxy

26 October 2021, Melbourne, Australia:

Exopharm Limited (ASX: EX1) ("**Exopharm**" or the "**Company**") attaches the following documents in relation to the Company's FY2021 Annual General Meeting:

- AGM Notice of Meeting, including Virtual Meeting Registration and Voting Guide; and
- Proxy Form.

- ENDS -

By the Board - this announcement has been authorised for release by the Board.

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ABOUT EXOPHARM

Exopharm (ASX:EX1) is a clinical-stage biopharmaceutical company using exosomes to deliver a new class of transformative medicines funded with near-term revenue generated via partnerships and technology licensing.

As nature's delivery platform for DNA, RNA, and proteins, exosomes are highly differentiated from synthetic drug delivery systems such as lipid nanoparticles (LNPs). The drug delivery industry is growing at an annual growth rate (CAGR) of 5% and currently valued at around US\$175 billion.

Exosomes are an alternative means of drug delivery inside the body, alongside technologies such as lipid nanoparticles (LNP), cell penetrating peptides, viral vectors and liposomes. In some uses, exosomes have superiority, including delivering DNA and other medicines into the nucleus of the cell, as is required for the rapidly advancing gene therapy market.

Exopharm's LEAP technologies solve the challenge of purifying clinical-grade exosomes at large scale and low cost.

Exopharm also has two exclusive proprietary technologies that allow advanced customisation of exosomes – the LOAD technologies improve loading of active ingredients (e.g. DNA, RNA, small molecules and proteins) into exosomes and the EVPS technologies allow exosomes to be directed towards selected cell types.

Exopharm uses variations and combinations of LOAD and EVPS to enable its biopharma partners to improve delivery of their drug candidates and help them design and test new exosome medicines aimed at treating a wide scope of medical problems including neurological disease, infectious disease, cancer, and fibrosis.

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets', 'aims', 'plans' or 'expects'. These statements are based on an evaluation of current corporate estimates, economic and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside of Exopharm's control or subject to the success of the Development Program. Furthermore, the Company is subject to several risks as disclosed in the Prospectus dated 6 November 2018.

Exopharm Limited

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Camberwell, Victoria 3124
ACN: 163 765 991

<https://exopharm.com/>



Exopharm Limited

Notice of 2021 Annual General Meeting

Explanatory Statement | Proxy Form

Thursday, 25 November 2021

10:00AM (AEDT)

Virtual Meeting

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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Important Information for Shareholders about the Company's 2021 AGM

Given the uncertainty surrounding the COVID-19 pandemic, by the time this Notice is received by Shareholders, circumstances may have changed, however, this Notice is given based on circumstances as at 26 October 2021.

Accordingly, should circumstances change, the Company will make an announcement on the ASX market announcements platform and on the Company's website at <https://exopharm.com/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, the Company considers that it is appropriate to hold the 2021 AGM as a virtual meeting, in a manner that is consistent with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*.

Venue and Voting Information

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00am (AEDT) on Thursday, 25 November 2021 as a **virtual meeting**.

The Company is pleased to provide shareholders with the opportunity to attend and participate in a virtual Meeting through an online meeting platform powered by Automic.

Shareholders that have an existing account with Automic will be able to watch, listen, and vote online.

Shareholders who do not have an account with Automic are strongly encouraged to register for an account **as soon as possible and well in advance of the Meeting** to avoid any delays on the day of the Meeting. An account can be created via the following link investor.automic.com.au and then clicking on “**register**” and following the prompts. Shareholders will require their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) to create an account with Automic.

To access the virtual meeting on the day:

1. Open your internet browser and go to investor.automic.com.au
2. Login with your username and password or click “**register**” if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the meeting to ensure there is no delay in attending the virtual meeting**
3. After logging in, a banner will display at the bottom of your screen to indicate that the meeting is open for registration, click on “**Register**” when this appears. Alternatively, click on “**Meetings**” on the left-hand menu bar to access registration.

4. Click on “**Register**” and follow the steps
5. Click on the URL to join the webcast where you can view and listen to the virtual meeting. Note that the webcast will open in a separate window.

Shareholders will be able to vote (see the “Voting virtually at the Meeting” section of this Notice of Meeting below) and ask questions at the virtual meeting.

Shareholders are also encouraged to submit questions in advance of the Meeting to the Company.

Questions must be submitted in writing to David Franks, Company Secretary, at david.franks@automicgroup.com.au at least 48 hours before the AGM.

The Company will also provide Shareholders with the opportunity to ask questions during the Meeting in respect to the formal items of business as well as general questions in respect to the Company and its business.

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the AGM can do so through the online meeting platform powered by Automic.

Once the Chair of the Meeting has declared the poll open for voting click on "Refresh" within the platform to be taken to the voting screen.

Select your voting direction and click "confirm" to submit your vote. Note that you cannot amend your vote after it has been submitted

For further information on the live voting process please see the **Registration and Voting Guide** at <https://www.automicgroup.com.au/virtual-agms/>

Voting by proxy

To vote by proxy, please use one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. For further information on the online proxy lodgment process please see the Online Proxy Lodgment Guide at https://www.automicgroup.com.au/virtual-agms/
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should provide the Share Registry with adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of Shareholders of Exopharm Limited ACN 163 765 991 will be held at 10:00am (AEDT) on Thursday, 25 November 2021 as a **virtual meeting (Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00pm (AEDT) on Tuesday, 23 November 2021.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Ordinary business

Financial statements and reports

"To receive and to consider the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report for that financial year."

Note: This item of ordinary business is **for discussion only and is not a resolution**.

Pursuant to the Corporations Act, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to, each of the aforementioned reports during consideration of these items.

Resolutions

Remuneration Report

1. **Resolution 1** – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 30 June 2021."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (including the Directors), whose remuneration details are included in the Remuneration Report (**KMP**), or any of that person's Closely Related Parties (such as close family members and any controlled companies of those persons)

(collectively referred to as Restricted Voter). However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; and
- (b) it is not cast on behalf of a Restricted Voter.

If you appoint the person chairing the Meeting (**Chair**) and you are not a Restricted Voter, by submitting the Proxy Form you authorise the person chairing the Meeting to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP, and you will be taken to have directed the Chair to vote in accordance with his or her stated intention to vote in favour of Resolution 1. If you do not want your vote exercised in favour of Resolution 1, you should direct the person chairing the Meeting to vote “against”, or to abstain from voting on, this Resolution.

Election and Re-election of Directors

2. Resolution 2 – Election of Elizabeth McGregor as Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That Elizabeth McGregor, a Director appointed as an additional Director and holding office until the next annual general meeting of the Company after her appointment in accordance with the Company’s Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately.”

3. Resolution 3 – Election of Jennifer King as Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That Jennifer King, a Director appointed as an additional Director and holding office until the next annual general meeting of the Company after her appointment in accordance with the Company’s Constitution and ASX Listing Rule 14.4, be elected as a Director of the Company, effective immediately.”

ASX Listing Rule 7.1A (Additional 10% Capacity)

4. Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- (a) a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 4 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Ratification of Prior Issue of Placement Shares

5. Resolution 5 – Ratification of Prior Issue of Placement Shares under Listing Rule 7.1

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 2,725,301 Placement Shares issued on 30 April 2021 under Listing Rule 7.1 and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. **Resolution 6 – Ratification of Prior Issue of Placement Shares under Listing Rule 7.1A**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, the Shareholders ratify the allotment and prior issue of 13,941,366 Placement Shares issued on 30 April 2021 under Listing Rule 7.1A and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- (a) a person who participated in the issue; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Maximum Aggregate Amount of Non-Executive Directors’ Fees

7. **Resolution 7 – Approval to Increase the Maximum Aggregate Amount of Non-Executive Directors’ Fees**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“That, for the purposes of ASX Listing Rule 10.17 and for all other purposes, the maximum aggregate amount of remuneration that may be paid to the Company’s non-executive directors in any financial year is increased by \$150,000, from \$350,000 to \$500,000, effective immediately.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- (a) any Director of the Company; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 7 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 7 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

Issue of Performance Rights to Directors of the Company

8. Resolution 8 – Approval of Issue of Performance Rights to Ian Dixon, Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 300,000 Performance Rights under the Exopharm Performance Rights Plan to Ian Dixon, Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Exopharm Performance Rights Plan; or

- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 8 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 8 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

9. **Resolution 9** – Approval of Issue of Performance Rights to Jason Watson, Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 100,000 Performance Rights under the Exopharm Performance Rights Plan to Jason Watson, Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Exopharm Performance Rights Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 9 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 9 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

10. **Resolution 10** – Approval of Issue of Performance Rights to Elizabeth McGregor, Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 30,000 Performance Rights under the Exopharm Performance Rights Plan to Elizabeth McGregor, Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Exopharm Performance Rights Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 10 by:

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

- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 10 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

11. **Resolution 11** – Approval of Issue of Performance Rights to Jennifer King, Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"That, for the purposes of section 208 of the Corporations Act, ASX Listing Rule 10.14 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 30,000 Performance Rights under the Exopharm Performance Rights Plan to Jennifer King, Director of the Company, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 11 by or on behalf of:

- (a) a person referred to in rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Exopharm Performance Rights Plan; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 11 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (ii) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the

Resolution as the Chair decides; or

- (iii) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder vote on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 11 if:

- (a) the proxy is either:
- (i) a member of the Company's Key Management Personnel; or
 - (ii) a closely related party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair of the Meeting; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

Renewal of Proportional Takeover Provisions

12. Resolution 12 – Renewal of Proportional Takeover Provisions

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **Special Resolution**:

"That, for the purposes of section 648G of the Corporations Act and for all other purposes, approval be given for the Company to renew the proportional takeover provisions in its Constitution, effective immediately."

BY ORDER OF THE BOARD



David Franks
Company Secretary

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10:00am (AEDT) on Thursday, 25 November 2021 as a **virtual meeting**.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the Annual General Meeting are set out below.

Agenda

Ordinary business

Financial statements and reports

In accordance with the Constitution and the Corporations Act, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's Report, the Remuneration Report and the Auditor's Report.

In accordance with the amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's Annual Financial Report to Shareholders unless a Shareholder has specifically elected to receive a printed copy.

Whilst the Company will not provide a hard copy of the Company's Annual Financial Report unless specifically requested to do so, Shareholders may view the Company Annual Financial Report on its website at <https://exopharm.com/>.

No resolution is required for this item, but Shareholders will be given the opportunity to ask questions and to make comments on the management and performance of the Company.

The Company's auditor will be present at the Meeting. During the discussion of this item, the auditor will be available to answer questions on the:

- Conduct of the audit;
- Preparation and content of the Auditor's Report;
- Accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- Independence of the auditor in relation to the conduct of the audit.

Written questions of the auditor

If you would like to submit a written question about the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report of the Company's auditor, please send your question to the Company Secretary. A list of qualifying questions will be made available at the Meeting.

Please note that all written questions must be received at least five business days before the Meeting, which is by Thursday, 18 November 2021.

Resolutions

Remuneration Report

Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company is required to present to its Shareholders the Remuneration Report as disclosed in the Company's Annual Financial Report.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Financial Report and is also available on the Company's website at <https://exopharm.com/>.

However, if at least 25% of the votes cast are against the adoption of the Remuneration Report at the Meeting (subject of this Notice of Meeting), and then again at the 2022 Annual General Meeting (**2022 AGM**), the Company will be required to put to the vote a resolution (**Spill Resolution**) at the 2022 AGM to approve the calling of a further meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the Spill Meeting within 90 days of the 2022 AGM. All of the Directors who were in office when the 2022 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the Spill Meeting.

The Remuneration Report explains the Board's policies in relation to the nature and level of remuneration paid to KMPs (including Directors) and sets out remuneration details, service agreements and the details of any share-based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the Directors and other Restricted Voters must not vote on this Resolution and must not cast a vote as proxy, unless the appointment gives a direction on how to vote, or the proxy is given to the Chair and you submit the Proxy Form, authorising the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a KMP and that in doing so you will be taken to have directed the Chair to vote in accordance with the Chair's stated intention to vote in favour of Resolution 1.

Shareholders are urged to read carefully the Proxy Form and to provide a direction to the proxy on how to vote on this Resolution.

Election of Directors

Resolution 2 – Election of Elizabeth McGregor as Director

Article 6.3(j) of the Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Ms Elizabeth McGregor was appointed as an additional Director of the Company on 5 January 2021 and has since served as a Director of the Company.

Under this Resolution, Ms McGregor seeks election as a Director of the Company at this AGM.

Ms McGregor is an experienced governance professional and has served as Company Secretary for a number of ASX listed entities. She was educated at the University of London (BA) and

Macquarie University (MBA). Ms McGregor is a Fellow of the Governance Institute of Australia and a Member of the Australian Institute of Company Directors.

In accordance with the Board Charter, before appointing Ms McGregor, the Company conducted appropriate checks into her background and experience.

Directors' recommendation

The Directors (excluding Ms McGregor) recommend that Shareholders vote for this Resolution.

Resolution 3 – Election of Jennifer King as Director

Article 6.3(j) of the Company's Constitution provides that any Director appointed in addition to the existing Directors will hold office until the next following annual general meeting and is then eligible for election.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Dr Jennifer King was appointed as an additional Director of the Company on 1 September 2021 and has since served as a Director of the Company.

Under this Resolution, Dr King seeks election as a Director of the Company at this AGM.

Dr King has experience in Pharmaceuticals and Biotechnology, having been Director, New Product Marketing in Shire Human Genetic Therapies, Senior Director Business Development & Licensing of Shire Pharmaceuticals supporting the rare disease business unit. More recently Dr King served as the Senior Vice President, Business Development of Intellia Therapeutics Inc., a pioneering company focused on the development of CRISPR/Cas9 genome editing therapies for patients with severe diseases.

Earlier in her career Dr King worked at Millennium Pharmaceuticals and was educated at Massachusetts Institute of Technology (BSc), Stanford University School of Medicine (PhD) and Northeastern University (MBA).

In accordance with the Board Charter, before appointing Dr King, the Company conducted appropriate checks into her background and experience.

The Directors consider Dr King to be an Independent Non-Executive Director.

Directors' recommendation

The Directors (excluding Dr King) recommend that Shareholders vote for this Resolution.

ASX Listing Rule 7.1A

Resolution 4 – ASX Listing Rule 7.1A Approval of Future Issue of Securities

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to add an additional 10% capacity.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation less than the amount prescribed by ASX (currently \$300 million).

As at 18 October 2021, the Company has a market capitalisation of approximately \$85 million and therefore is an eligible entity. If at the time of the Meeting the Company is no longer an eligible entity this Resolution will be withdrawn.

This Resolution seeks Shareholder approval by way of a special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

Information Required by ASX Listing Rule 7.3A

The following information is provided to Shareholders for the purposes of Listing Rule 7.3A.

Period for which the approval will be valid

An approval under this Listing Rule 7.1A commences on the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:

- (a) the date which is 12 months after the date of the annual general meeting at which the approval is obtained;
- (b) the time and date of the entity's next annual general meeting; and
- (c) the time and date on which Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

Minimum price at which the equity securities may be issued under Listing Rule 7.1A

Any equity securities issued under Listing Rule 7.1A.2 must be an existing quoted class of the Company's equity securities and issued for cash consideration.

The issue price per equity security must not be less than 75% of the volume weighted average market price of the equity securities in that class, calculated over 15 trading days on which trades in that class were recorded immediately before:

- (a) the date on which the price at the equity securities are to be issued is agreed by the Company and the recipient of the equity securities; and
- (b) if the equity securities are not issued within 10 trading days of the date in paragraph (a), the date on which the equity securities are issued.

Purposes for which the funds raised by an issue of equity securities under Listing Rule 7.1A may be used

As noted above, any equity securities issued under Listing Rule 7.1A.2 must be issued for cash consideration. Accordingly, every issue of equity securities under Listing Rule 7.1A.2 will have an accompanying proposed use of funds at the time of issue.

As at the date of this Notice, the Company has not formed an intention to offer any equity securities under Listing Rule 7.1A during the Listing Rule 7.1A mandate period, if Shareholders approve this Resolution. However, if Shareholders approved this Resolution and the Company did raise funds from the issue of equity securities under Listing Rule 7.1A, based on the Company's existing plans, the Company considers that the funds may be used for the following purposes:

- (a) to fund the development of the Company's pipeline products
- (b) to accelerate the further development and commercialisation of the Company's technology platforms;
- (c) to further develop Intellectual Property (IP); and
- (d) general working capital;

Risk of economic and voting dilution to existing ordinary Securityholders

If this Resolution is approved, and the Company issues equity securities under Listing Rule 7.1A, the existing Shareholders' economic and voting power in the Company will be diluted.

There is a risk that:

- (a) the market price for the Company's equity securities in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- (b) the equity securities may be issued at a price that is at a discount (as described above) to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of equity securities under Listing Rule 7.1A.

The table below shows the potential dilution of existing Securityholders on the basis of 3 different assumed issue prices and values for the variable "A" in the formula in rule 7.1A.2:

Variable "A" ASX Listing Rule 7.1A.2		Potential Dilution and Funds Raised		
		\$0.2725 50% decrease in issue price	\$0.545 issue prices ^(b)	\$1.09 100% increase in issue price
"A" is the number of shares on issue, being 157,211,533 Shares^(a)	10% voting dilution^(c)	15,721,153	15,721,153	15,721,153
	Funds raised	\$4,284,014.19	\$8,568,028.38	\$17,136,056.77
"A" is a 50% increase in shares on issue, being 235,817,299 Shares	10% voting dilution^(c)	23,581,729	23,581,729	23,581,729
	Funds raised	\$6,426,021.15	\$12,852,042.31	\$25,704,084.61
"A" is a 100% increase in shares on issue, being 314,423,066 Shares	10% voting dilution^(c)	31,442,306	31,442,306	31,442,306
	Funds raised	\$8,568,028.38	\$17,136,056.77	\$34,272,133.54

Notes:

- (a) Based on the total number of fully paid ordinary Shares on issue as at 18 October 2021.
- (b) Based on the closing price of the Company's Shares on ASX as at 18 October 2021.
- (c) The table assumes that the Company issues the maximum number of ordinary Shares available to be issued under Listing Rule 7.1A.
- (d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of issues of equity securities under Listing Rule 7.1A based on that Shareholder's holding at the date of this Explanatory Statement.
- (e) The table shows the effect of an issue of equity securities under Listing Rule 7.1A only, not under the Company's 15% placement capacity under Listing Rule 7.1.

Allocation policy for issues under Listing Rule 7.1A

The Company's allocation policy and the identity of the allottees of equity securities under Listing Rule 7.1A will depend on a number of factors, including:

- (a) the Company's intentions in relation to the possible issue of equity securities (for cash consideration) during the Listing Rule 7.1A mandate period;

- (b) the structure and timeframe of the capital raising opportunities available to the Company and any alternative methods for raising funds that are available to the Company (such as a pro rata offer or an offer under a share purchase plan);
- (c) the potential effect on the control of the Company;
- (d) the Company's financial position and the likely future capital requirements; and
- (e) advice from the Company's corporate or financial advisors.

Based on the Company's historical cashflow reports and capital raising activities in the past 12 months, the Company considers that it may raise funds during the Listing Rule 7.1A mandate period, although this cannot be guaranteed. As of the date of this Notice, no specific intention to issue equity securities in relation to any parties, investors or existing Securityholders have been formed. In addition, no intentions have been formed in relation to the possible number of issues, or the time frame in which the issues could be made. Subject to the requirements of the Listing Rules and the Corporations Act, the Board of Directors reserve the right to determine at the time of any issue of equity securities under Listing Rule 7.1A, the allocation policy that the Company will adopt for that issue.

If and when the determination is made to proceed with an issue of equity securities during the Listing Rule 7.1A mandate period, details regarding the allottees and purposes of issue will be disclosed pursuant to the Company's obligations under Listing Rules 3.10.3 and 7.1A.4.

Offers made under Listing Rule 7.1A may be made to parties (excluding any related parties) including professional and sophisticated investors, existing Shareholders of the Company, clients of Australian Financial Service Licence holders and/or their nominees, or any other person to whom the Company is able to make an offer of equity securities.

Issue or agreement to issue equity securities under Listing Rule 7.1A in the 12 months prior to AGM

The Company has issued equity securities under Listing Rule 7.1A.2 in the 12 months preceding the AGM. Details of these issues are set out in the table below:

Number/Class of equity securities issued	Terms of the securities issued	Price and discount to closing market price on the date of issue (if any) or agreement to issue	Consideration details	Allottees of the Securities
<i>Issued on 30 April 2021</i>				
13,941,366 fully paid ordinary shares	Issue of shares to institutional and sophisticated investors under a placement announced by the Company on 20 April 2021. The placement was completed by utilising existing capacity under Listing Rule 7.1 and 7.1A. The shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.	Issue price of 72 cents per share. Closing market price on the date of issue was 76 cents, which represents a discount of 5.26%.	Cash consideration of \$10,037,784 (before costs). Funds have been and will be used by the Company to accelerate the Company's development activities and support future potential partnerships and licenses.	Institutional and other sophisticated investors

Total equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months prior to AGM ("A")	13,941,366
Percentage that "A" represents based on the total number of equity securities on issue at the commencement of that 12 month period (fully diluted)	10%

This Resolution is 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 ordinary shares) must be in favour of this Resolution.

Directors' recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Ratification of Prior Issue of Placement Shares

Resolutions 5 and 6 – Ratification of Prior Issue of Placement Shares

Background

As announced by the Company on 20 April 2021, the Company successfully completed a placement to sophisticated and institutional investors (**Placement**) of 16,666,667 new fully paid ordinary shares (**Placement Shares**) at an issue price of \$0.72 per Placement Share raising \$12 million (before costs) for the Company.

Accordingly, on 30 April 2021, the Company completed the issue of the Placement Shares utilising its existing capacity under Listing Rule 7.1 and 7.1A.

ASX Listing Rules 7.1 and 7.1A

Resolutions 5 and 6 propose that Shareholders of the Company approve and ratify the prior issue and allotment of 16,666,667 Placement Shares, which were issued on 30 April 2021 (**Issue Date**).

2,725,301 Placement Shares were issued under Listing Rule 7.1 (**Resolution 5**) and 13,941,366 Placement Shares were issued under Listing Rule 7.1A (**Resolution 6**).

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

At last year's AGM, the Company sought and obtained approval of its Shareholders under Listing Rule 7.1A to increase this 15% limit by an extra 10% to 25%.

The issue of the Placement Shares did not fit within any of the exceptions (to Listing Rules 7.1 and 7.1A) and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the expanded 25% limit in Listing Rule 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the Issue Date (noting that the extra 10% under Listing Rule 7.1A will expire unless re-approved by the Company's Shareholders on an annual basis).

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

A note to Listing Rule 7.4 also provides that an issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4 and, if it is, the issue will then be excluded from variable “E” in Listing Rule 7.1A.2 (which means that the Company’s capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1A is not reduced).

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolutions 5 and 6 seek Shareholder approval to subsequently approve the issue of the Placement Shares for the purposes of Listing Rule 7.4.

If Resolutions 5 and 6 are passed, the issue of the Placement Shares will be excluded in calculating the Company’s 25% capacity to issue equity securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12 month period following the Issue Date.

If Resolutions 5 and 6 are not passed, the issue of the Placement Shares will be included in calculating the Company’s 25% capacity to issue equity securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12 month period following the Issue Date.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to sophisticated and institutional investors. In accordance with Guidance Note 21, the Company confirms that none of the investors were:
 - (i) related parties of the Company, members of the Company’s Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company.
- (b) The Company issued:
 - (i) 2,725,301 Placement Shares under Listing Rule 7.1 (**Resolution 5**); and
 - (ii) 13,941,366 Placement Shares under Listing Rule 7.1A (**Resolution 6**).
- (c) The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The Placement Shares were issued on 30 April 2021.
- (e) Each of the Placement Shares was issued at an issue price of \$0.72 per Placement Share which raised \$12 million (before costs).
- (f) Funds raised from the issue of the Shares have been and will be used by the Company to accelerate the Company’s development activities and support future potential partnerships and licenses.

Directors’ recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Maximum Aggregate Amount of Non-Executive Directors’ Fees

Resolution 7 – Approval to Increase the Maximum Aggregate Amount of Non-Executive Directors’ Fees

In accordance with Listing Rule 10.17 and article 6.5(a) of the Company’s Constitution, Shareholder approval is sought to increase the maximum aggregate amount available for non-executive directors’ remuneration in any financial year by \$150,000, from \$350,000 to \$500,000.

Shareholder approval is being sought to increase the aggregate amount of directors' fees for non-executive directors as:

- (a) it is important to ensure that the Company maintains the ability to pay competitive fees and attract and retain high calibre non-executive directors; and
- (b) the size of the proposed increase would be consistent with other ASX listed entities of similar market capitalisation.

It is proposed that the increase in the aggregate amount of fees for non-executive directors will take effect immediately after this Meeting.

If shareholders pass this Resolution, it is not intended that the maximum aggregate of the fees of non-executive directors would be utilised immediately. The proportion remaining unused will provide the Company with the ability to attract and retain high quality directors, to make any appropriate increases to the size of the Board, and to increase fees in the future in line with market conditions.

If shareholders do not pass this Resolution, the maximum aggregate amount of fees available for non-executive directors will remain at \$350,000. In this case, the Company would have less flexibility to attract and retain high quality directors in future, to make any appropriate increases to the size of the Board, and to increase fees in the future in line with market conditions.

As required by Listing Rule 10.17, the Company confirms that the following securities have been issued to non-executive directors in the preceding three years (from the date of this Meeting) under Listing Rules 10.11 or 10.14:

Date of issue	Non-executive director	Terms and number of securities issued
13 September 2019	Jason Watson	Listing Rule 10.11: 100,000 Shares at an issue price of \$0.37 per Share.
9 November 2020	Jason Watson	Listing Rule 10.14: 90,000 Performance Rights for nil consideration under the Company's Performance Rights Plan.

In accordance with Listing Rule 10.17, the Company confirms that Non-Executive Director fees include all fees payable by the entity or any of its ⁺child entities to a non-executive director for acting as a director of the entity or any ⁺child entity (including attending and participating in any board committee meetings) and includes superannuation contributions for the benefit of a non-executive director and any fees which a non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out-of-pocket expenses, genuine "special exertion" fees paid in accordance with the entity's constitution, or ⁺securities issued to a non-executive director under rule 10.11 or 10.14 with the approval of the holders of the entity's ⁺ordinary securities).

Directors' recommendation

Given the nature of this Resolution, the Board does not consider that it is appropriate to make a recommendation on how Shareholders should vote on this Resolution. As noted in the Proxy Form, the Chairman of the Meeting intends to cast all undirected proxies in favour of this Resolution.

Issue of Performance Rights to Directors of the Company

Resolutions 8 to 11 – Approval of issue of Performance Rights to Directors of the Company under the Performance Rights Plan

Background

The Company's Performance Rights Plan (**Plan**) was approved by Shareholders of the Company on 29 October 2020.

The Company seeks to invite the Directors of the Company, subject to Shareholder approval that is sought under Resolutions 8 to 11, to participate in the Plan by subscribing for Performance Rights under the Plan as set out in the table below.

Name	Number of Tranche 1 Performance Rights	Number of Tranche 2 Performance Rights	Total number of Performance Rights
Ian Dixon (Resolution 8)	150,000	150,000	300,000
Jason Watson (Resolution 9)	50,000	50,000	100,000
Elizabeth McGregor (Resolution 10)	15,000	15,000	30,000
Jennifer King (Resolution 11)	15,000	15,000	30,000

A summary of the material terms of the Performance Rights is as follows:

Type of Incentive Security	Material terms
Performance Rights	<p>Each Performance Right is a right to receive a fully paid ordinary share in the capital of the Company subject to satisfaction of the Performance Hurdle applicable to that Performance Right.</p> <p>Unless cancelled or deemed to have been cancelled, or otherwise incapable of vesting, the Performance Rights the subject of Resolutions 8 to 11 shall vest and automatically convert to a Share upon and subject to the following (each a "Performance Hurdle"):</p> <ul style="list-style-type: none">• one half ("the First Tranche Rights") on 1 July 2022 if the VWAP (being the volume weighted average market (closing) price as that term is defined in the Listing Rules) for twenty consecutive trading days upon which the Company's shares have actually traded on ASX is as at 30 June 2022, or at any time between 1 January 2022 and 30 June 2022 (both inclusive) has been, at least one dollar (\$1.00);• one half ("the Second Tranche Rights") on 1 January 2023 if the VWAP for twenty consecutive trading days upon which the Company's shares have actually traded on ASX is as at 31 December 2022, or at any time between 1 July 2022 and 31 December 2022 (both inclusive) has been, at least one dollar and fifty cents (\$1.50). <p>For the avoidance of doubt, it is not necessary for the VWAP component of a Performance Hurdle for a tranche of Performance Rights which has been satisfied in the time period applicable to that tranche to remain satisfied or to occur again at the time of vesting.</p>

	<p>Performance Rights for which the applicable Performance Hurdle has not been satisfied lapse and are deemed to have been cancelled automatically on:</p> <ul style="list-style-type: none"> • for the First Tranche Rights, 1 July 2022; • for the Second Tranche Rights, 1 January 2023; <p>(each the “Lapse Date” applicable to that tranche).</p> <p>If the Performance Hurdle applicable to a tranche of Performance Rights has been satisfied but the share into which it converts has not been issued or quotation of the share has not been applied for, that Performance Right will not lapse or be cancelled (or be deemed to have been cancelled) and these terms continue to apply until the Share is issued and (when applicable) quotation has been applied for.</p> <p>If a special circumstance (such as redundancy, death, total and permanent incapacity or other circumstances determined by the Company) occurs before the end of the time period for satisfaction of the VWAP component of a Performance Hurdle applicable to a tranche of Performance Rights and that tranche has not already vested or lapsed or been (or been deemed to have been) cancelled, the last exercise date for that tranche automatically remains (and if required is automatically extended until) the day before the Lapse Date set out above applicable to that tranche.</p> <p>Other than where termination is due to matters such as fraud, defalcation or gross misconduct or an act bringing the Company into disrepute a Performance Right does not lapse and is not cancelled or deemed to have been cancelled upon the termination of the office or employment of the holder by the Company if the VWAP component of the Performance Hurdle applicable to the then current tranche of Performance Rights had been achieved before the termination. All other then outstanding Performance Rights (if any) would lapse automatically at that time (other than where the termination is due to a special circumstance).</p> <p>Each Performance Right that has not already lapsed or cancelled (or been deemed to have been cancelled) vests and converts automatically upon the occurrence of a circumstance set out in paragraphs (a) to (d) of the Plan Summary in Annexure A.</p> <p>Upon conversion of a Performance Right into a share in accordance with these terms, the Company must within ten (10) ASX business days (or such lesser period as the Listing Rules require) from the date of conversion, apply for and use best endeavours to obtain official quotation on ASX of the Share arising from conversion.</p> <p>Subject to compliance with applicable laws (including the ASX Listing Rules as they apply to the Company), Performance Rights shall immediately vest and convert to Shares upon a Change of Control occurring. “Change of Control” means:</p> <ul style="list-style-type: none"> (i) a bona fide takeover bid is declared unconditional and the bidder has acquired a relevant interest in over 50% of the Company's issued shares; (ii) the sale of all or substantially all of the assets of the Company; (iii) a court approves under section 411(4)(b) of the Corporations Act, a proposed compromise arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or
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	<p>(iv) in any other case, a person obtains voting power in the Company that the Board (which for the avoidance of doubt will comprise those Directors immediately prior to the person acquiring the voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.</p> <p>A Performance Right does not entitle the holder to any dividends. Upon winding up of the Company, a Performance Right may not participate in the surplus profits or assets of Company. A Performance Right is not transferable other than as provided for in the Plan. If the issued capital of the Company is reorganised or reconstructed all rights of a holder of performance Rights will be changed to the extent necessary to comply with the ASX Listing Rules at the time of reorganisation or reconstruction provided that, subject to compliance with the ASX Listing Rules, following such reorganisation or reconstruction the economic and other rights of the Holders are not diminished or terminated.</p> <p>The terms of the Performance Rights may be amended as necessary by the Board to comply with the ASX Listing Rules, or any direction of ASX regarding the terms provided that, subject to compliance with the ASX listing rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.</p> <p>Subject to the above and to conversion of Performance Rights being subject to compliance at all times with the ASX Listing Rules and the Corporations Act:</p> <p>(i) if the Performance Hurdle is achieved on or before the Lapse Date, each Performance Right that has not previously lapsed or been cancelled (or been deemed to have been cancelled) will convert into an equal number of Shares which will be issued to the Holder; and</p> <p>(ii) if the Performance Hurdle is not achieved on or before the Lapse Date, each Performance Right that has not previously vested and converted will lapse and be deemed to have been cancelled without payment or other compensation to the Holder.</p> <p>The shares into which the Performance Rights convert will rank pari passu in all respects with existing Shares at the time of issue.</p> <p>The terms and conditions of the Plan also apply, to the extent consistent with or as supplemented or permitted to be varied by the above. Refer to the Plan Summary in Annexure A. A copy of the Plan is also available on request.</p>
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Director and Related Party Approvals

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 unless it obtains the approval of its shareholders:

- (a) a director of the Company;
- (b) an associate of a director of the Company; or
- (c) 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.

As each of the persons under Resolutions 8 to 11 is a Director of the Company, the proposed issue of Performance Rights constitutes the acquisition of securities under an employee incentive scheme for the purposes of Listing Rule 10.14 and therefore requires the approval of the Company's shareholders under Listing Rule 10.14.

To this end, Resolutions 8 to 11 seek the required Shareholder approval to issue the Performance Rights to each of the Company's Directors under and for the purposes of Listing Rule 10.14.

If approval is given under Listing Rule 10.14, approval will not be required under Listing Rule 7.1.

If Resolutions 8 to 11 are passed, the Company will proceed with the proposed issue of Performance Rights.

If Resolutions 8 to 11 are not passed, the Company will not be able to proceed with the proposed issue of Performance Rights and will consider alternative arrangements to appropriately remunerate Directors.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Incentive Securities constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

For each Director for whom the issue of Performance Rights was considered, the other non-conflicted Directors considered the proposed issue, and formed the view that the giving of this financial benefit as part of their remuneration would be reasonable, given the circumstances of the Company, the quantum and terms of the Incentive Securities, and the responsibilities held by each Director in the Company.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Incentive Securities to each Director falls within the "reasonable remuneration" exception as set out in section 211 of the Corporations Act, and relies on this exception for the purposes of Resolutions 8 to 11. Therefore, the proposed issue of Performance Rights to each of the Directors under Resolutions 8 to 11 requires Shareholder approval under and for the purposes of Listing Rule 10.14 only.

Information Required by ASX Listing Rule 10.15

The following information in relation to the issue of Performance Rights is provided to Shareholders for the purposes of ASX Listing Rule 10.15:

- (a) The allottees are:
 - (i) Ian Dixon (**Resolution 8**);
 - (ii) Jason Watson (**Resolution 9**);
 - (iii) Elizabeth McGregor (**Resolution 10**); and
 - (iv) Jennifer King (**Resolution 11**).
- (b) Each of the persons under Resolutions 8 to 11 is a Director of the Company and falls into the category referred to in Listing Rule 10.14.1.
- (c) The maximum number of securities that may be acquired by each Director is:

Name	Number of Tranche 1 Performance Rights	Number of Tranche 2 Performance Rights	Total number of Performance Rights

Ian Dixon (Resolution 8)	150,000	150,000	300,000
Jason Watson (Resolution 9)	50,000	50,000	100,000
Elizabeth McGregor (Resolution 10)	15,000	15,000	30,000
Jennifer King (Resolution 11)	15,000	15,000	30,000

- (d) The current total remuneration package received by each Director is set out in the table below.

Name	Total Remuneration Package
Ian Dixon (Resolution 8)	\$352,274 per annum (including super) and at risk annual cash bonus of \$70,000 based on achievement of KPIs monitored by the Board
Jason Watson (Resolution 9)	\$110,000 per annum (including super)
Elizabeth McGregor (Resolution 10)	\$50,000 per annum (including super)
Jennifer King (Resolution 11)	\$50,000 per annum (including super) Note: Dr King receives an annual fee of \$84,000 for her work as a member of the Advisory Panel, which is separate from her role as a Non-Executive Director.

- (e) Since the Plan was last approved by Shareholders on 29 October 2020, the Company has issued the following securities to the Directors of the Company under the Plan:

Name	Number of securities received	Acquisition price for each security
Ian Dixon (Resolution 8)	250,000 Performance Rights	Nil
Jason Watson (Resolution 9)	90,000 Performance Rights	Nil
Elizabeth McGregor (Resolution 10)	Nil	N/A
Jennifer King (Resolution 11)	Nil	N/A

- (f) The material terms of the Performance Rights are set out on pages 23-25 of this Notice of Meeting. The Company considers the issue of Performance Rights to be a cost-effective method of remuneration which also aligns the interests of Directors with those of Shareholders.

The value of the Performance Rights based on a Monte Carlo simulation valuation obtained by an independent third party is set out in the table below.

Name	Number of Tranche 1 Performance Rights	Fair value of Tranche 1 Performance Rights	Number of Tranche 2 Performance Rights	Fair value of Tranche 2 Performance Rights
Ian Dixon (Resolution 8)	150,000	\$30,830	150,000	\$26,068
Jason Watson (Resolution 9)	50,000	\$10,277	50,000	\$8,689

Elizabeth McGregor (Resolution 10)	15,000	\$3,083	15,000	\$2,607
Jennifer King (Resolution 11)	15,000	\$3,083	15,000	\$2,607

- (g) The Performance Rights will be issued within 3 years of the date of this Meeting, if approved by Shareholders of the Company.
- (h) The Performance Rights are being issued for nil consideration pursuant to the terms of the Plan.
- (i) There are no loans applicable for the Performance Rights.
- (j) The material terms of the Incentive Plan are set out in Annexure A of this Notice of Meeting.
- (k) Details of any securities issued under the Plan will be published in each annual report of the Company relating to a period which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Plan after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

Directors' recommendation

Given the nature of Resolutions 8-11, the Board does not consider that it is appropriate to make a recommendation on how Shareholders should vote on these Resolutions. As noted in the Proxy Form, the Chairman of the Meeting intends to cast all undirected proxies in favour of these Resolution.

Renewal of Proportional Takeover Provisions

Resolution 12 – Renewal of Proportional Takeover Provisions

Section 648G(1) of the Corporations Act provides that a company's proportional takeover provisions will cease to have effect at the end of three years from the date of adoption (or renewal, as the case may be).

The Company's Constitution (including the proportional takeover provisions) was adopted by Shareholders on 26 June 2018. Accordingly, the Company wishes to renew the proportional takeover provisions in its Constitution.

The following information is provided for the purposes of Section 648G of the Corporations Act.

Renewal of proportional takeover provisions

Proportional takeover bid

A proportional takeover bid is a takeover bid where the offer made to each Shareholder is only for a proportion of the Shareholder's Shares. If a Shareholder accepts, in full, an offer under a proportional takeover bid, the Shareholder will only dispose of a specified portion of their Shares in the Company and retain the balance of the Shares.

The Proportional Takeover Provisions are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company by providing, in the Constitution, that:

- (a) in the event of a proportional takeover bid being made for Shares in the Company, Shareholders are required to vote and collectively decide whether to accept or reject the offer; and

- (b) the majority decision of the Company's members will be binding on all Shareholders.

Effect of the proposed provisions

Where offers have been made under a proportional takeover bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional takeover bid is prohibited unless and until a resolution to approve the proportional takeover bid is passed by Shareholders or otherwise, as pursuant to the terms of the Proportional Takeover Provisions.

In more detail, the effect of the Proportional Takeover Provisions is as follows:

- (a) if a proportional takeover bid is made for Securities of the Company, the Directors must ensure that a meeting of Shareholders is convened to vote on a resolution to approve that bid;
- (b) the bidder and persons associated with the bidder may not vote;
- (c) approval of the bid will require a simple majority of the votes cast;
- (d) the meeting must take place more than 14 days before the last day of the bid period (**Resolution Deadline**);
- (e) if the resolution is rejected before the Resolution Deadline, the bid cannot proceed and any transfers giving effect to takeover contracts for the bid will not be registered;
- (f) the bid will be taken to have been approved if, as at the end of the day before the Resolution Deadline, the resolution has not been voted on;
- (g) if the resolution is approved, the transfers must be registered (subject to other provisions of the Corporations Act and the Constitution); and
- (h) the Directors will breach the Corporations Act if they fail to ensure the resolution is voted on. However, the bid will still be taken to have been approved if it is not voted on within the Resolution Deadline.

The Proportional Takeover Provisions do not apply to full takeover bids. If the Proportional Takeover Provisions are renewed, they will cease to apply at the end of three years after renewal unless renewed by a Special Resolution of Shareholders.

Reasons for the proposed provisions

In the absence of the Proportional Takeover Provisions, a proportional takeover bid may result in control of the Company changing without Shareholders having an opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders could be exposed to the risks of passing control to the bidder without payment of an adequate control premium for all their Shares and being left with a minority interest in the Company. Such Shareholders could suffer potential further loss if the takeover bid were to cause a decrease in the Share price or otherwise make the Shares less attractive and, therefore, more difficult to sell.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal to acquire, or to increase the extent of, a substantial interest in the Company.

Advantages and disadvantages during the period in which they have been in effect

The Directors consider that the Proportional Takeover Provisions had no advantages or disadvantages for them during the period in which they have been in effect.

The advantages and disadvantages of the Proportional Takeover Provisions for Shareholders include those set out below, which were applicable during the period in which they have been in effect.

Potential advantages and disadvantages

The renewal of the Proportional Takeover Provisions will enable the Directors to formally ascertain the views of the Shareholders in respect of a proportional takeover bid. Without such provisions, the Directors are dependent upon their perception of the interests and views of Shareholders. Other than this advantage, the Directors consider that the Proportional Takeover Provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the Proportional Takeover Provisions for Shareholders include:

- (a) providing the right to discuss, in a meeting called specifically for that purpose, and then decide, by majority vote, whether an offer under a proportional takeover bid should proceed;
- (b) assisting the prevention of Shareholders being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced;
- (d) potentially increasing the likelihood of a full takeover bid rather than a proportional takeover bid; and/or
- (e) enabling individual Shareholders to better assess the likely outcome of the proportional takeover bid, by knowing the view of the majority of Shareholders, which may assist in deciding whether to accept or reject an offer under the bid;

The potential disadvantages of the Proportional Takeover Provisions for Shareholders include:

- (a) imposing a hurdle to, and potentially discouraging the making of, provisional takeover bids which, in turn, may reduce any takeover speculation element in the price of Shares;
- (b) potentially reducing the likelihood of success of a proportional takeover bid;
- (c) possible reduction or loss of opportunities for Shareholders sell some or all of their Shares at a premium; and/or
- (d) potentially causing some Shareholders to form the view that the Proportional Takeover Provisions impose an unreasonable restriction on their ability to freely deal with their Shares.

Prior to the Meeting, a copy of the Constitution, which includes the Proportional Takeover Provisions, is available for review by Shareholders at the Company's registered office during normal business hours. A copy of the Constitution can also be sent to Shareholders of the Company upon a request being made to the Company Secretary.

A copy of the Constitution will be tabled at the Meeting.

Pursuant to section 136(2) of the Corporations Act, a modification to the Company's Constitution (which includes renewal of the Proportional Takeover Provisions) can only be effected by way of a Special Resolution passed by its Shareholders. Therefore, this Resolution is a Special Resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on this Resolution are voted in its favour.

Professional Advice

If you have any doubt or do not understand this Resolution, it is strongly recommended that you seek advice from a solicitor or other professional advisor.

Directors' Recommendation

The Board of Directors recommend that Shareholders vote for this Resolution.

Enquiries

Shareholders are asked to contact the Company Secretary at david.franks@automicgroup.com.au if they have any queries in respect of the matters set out in these documents.

Glossary

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

Annual Financial Report means the 2021 Annual Report to Shareholders for the period ended 30 June 2021 as lodged by the Company with ASX on 30 August 2021.

Annual General Meeting or **AGM** or **Meeting** means an Annual General Meeting of the Company and, unless otherwise indicated, means the meeting of the Company's members convened by this Notice of Meeting.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of William Buck Audit (Vic) Pty Ltd dated 30 August 2021 as included in the Annual Financial Report.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Exopharm Limited ACN 163 765 991.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Directors' Report means the report of Directors as included in the Annual Financial Report.

Dollar or **"\$"** means Australian dollars.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting dated 26 October 2021 including the Explanatory Statement.

Option means an option which, subject to its terms, could be exercised into a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Performance Right means a performance right which, subject to its terms, could convert to a Share.

Proxy Form means the proxy form attached to this Notice of Meeting.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

Restricted Voter means a member of the Company's KMP and any Closely Related Parties of those members.

Securities mean Shares, Options and/or Performance Rights (as the context requires).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Registry means Automic Registry Services.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Spill Meeting means the meeting that will be convened within 90 days of the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

Spill Resolution means the resolution required to be put to Shareholders at the 2022 AGM if a threshold of votes is cast against the adoption of the Remuneration Report at the Meeting and the 2022 AGM.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Annexure A – Terms of Exopharm Performance Rights Plan

Under the Exopharm Performance Rights Plan (“the Plan”) eligible officers, employees and consultants of the Company and its subsidiaries (if any) or their representative nominees (“participants”) may be offered and granted performance rights.

The purpose and objectives of the Plan include:

- providing incentives to participants;
- recognising participants and their expected efforts and contribution in the performance and success of the Company and its subsidiaries; and
- providing participants with the opportunity to acquire performance rights, and ultimately fully paid ordinary shares, in the Company.

Each performance right will, upon conversion or exercise in accordance with its terms of issue, entitle the holder to one share. Usually the performance rights will be granted to participants for no cash consideration, and no cash amount will be payable for shares issued or transferred upon a performance right converting. The Plan provides that the Company may, at its election but subject to the listing rules, issue new shares or procure the transfer of existing shares on the conversion of performance right.

Performance rights may be subject performance, vesting, conversion or other conditions determined by the Board (commonly referred to as performance hurdles or milestones). The performance, vesting, conversion and/or other conditions will be specified in an offer of performance rights. Performance hurdle(s) and other conditions may only be waived, in whole or in part, if permitted by (and then in accordance with) the listing rules.

The terms of issue will provide whether performance rights which have not vested are cancelled (either immediately or after a period of time) if the relevant person ceases to be engaged by the Company. An exception may apply where the cessation is due to special circumstances (such as redundancy, death, total and permanent incapacity or other circumstances determined by the Company). The terms of issue may provide that unconverted the performance rights lapse and are cancelled immediately if the relevant person was terminated for cause or had engaged in fraud, defalcation or gross misconduct in relation to the affairs of the Company or had brought the Company into disrepute.

A performance right may only convert or be exercised before vesting where, if and then only to the extent permitted by the listing rules of ASX:

- an accelerated vesting event occurs and the Board brings forward the first permitted exercise date or waives or varies any performance hurdles;
- if the offer of the performance rights provided for certain circumstances where the first exercise date is brought forward or the performance hurdles are waived or varied and those circumstances occur; or
- as provided for below.

The Plan provides that performance rights may only be transferred in the following circumstances (and that each of paragraphs (a) to (d) is also a circumstance in which performance rights may be deemed to have vested and/or converted despite the applicable vesting or conversion event or condition not having occurred):

- (a) a transfer constituting the necessary transfer documents following an acceptance of an offer made under an off-market bid under the Corporations Act relating to performance rights;

- (b) a transfer to a bidder on the sale of the performance rights under Division 3 of Part 6A.1 of the Corporations Act;
- (c) a transfer to a 100% holder on the sale of the performance rights under Division 2 of Part 6A.2 of the Corporations Act;
- (d) a transfer under Part 6A.3 of the Corporations Act to a person entitled to acquire performance rights under section 661A or 664A of the Corporations Act; or
- (e) a transfer approved by the Board in those circumstances as may be determined by the Board. The Board must have regard to the Corporations Act, the Listing Rules and any other relevant legislation, and as a consequence the circumstances in which other transfers may be able to be approved are limited.

The offer of performance rights may specify that shares issued or transferred to the holder upon conversion of the performance rights will be held in the Plan subject to restrictions on disposal, encumbrance or other dealings with the share for a period of time or until the occurrence of a specified event. Shares held in the Plan will be subject to a holding lock. The person entitled to the shares may apply for its withdrawal from the Plan, subject to satisfying the Company that any conditions for the release of the shares have been or will be met. The Company will seek quotation of shares not held in the Plan (or which are released from the Plan).

A Performance Right does not entitle the holder to attend or vote on any resolutions proposed at a general meeting of shareholders of the Company. Performance rights carry no entitlement to participate in new issues to existing shareholders unless validly converted or exercised before the applicable record date. The number of shares to be received under a performance right will be increased by the number of additional shares the holder would have received if the performance right had been converted or exercised before a bonus issue and the Company will offer the holder the number of additional shares that could have been acquired if the performance right had been converted or exercised before a pro rata offer. If the Company reorganises its capital (for example, by a share split, consolidation) the performance rights including the number of shares into which a performance right may convert will be reorganised in the same manner as would apply under the listing rules to options. The Board may permit exercise or conversion of performance rights after notice of a proposed members' voluntary winding up resolution.

The Board must take reasonable steps to ensure that the number of shares represented by performance rights offered, granted, awarded or issued under the Rights Plan or other employee incentive plan in which only eligible employees can participate plus shares issued in the prior 5 years upon conversion or exercise of performance rights under the Plan or issued under such other plan do not exceed 6% of the total number of issued shares as at the time of offer, grant, award or issue.

For the purpose of calculating the 6% limit, the following offers or grants of performance rights (and shares issued by way of or as a result of the following) are to be disregarded:

- an offer to a person situated at the time of receipt of the offer outside of Australia;
- an offer that did not need disclosure to investors because of section 708 of the Corporations Act (an offer to sophisticated, professional or other exempt investors, which generally includes directors and other senior managers, and subject to specific conditions can include up to 20 other persons per year;
- an offer that did not require the giving of a Product Disclosure Statement because of section 1012D of the Corporations Act; or
- an offer made under a disclosure document or Product Disclosure Statement.

Grants of performance rights to directors or their associates can only be made in accordance with the listing rules including where applicable obtaining prior shareholder approval under Listing Rule 10.11 or 10.14.

The Plan is to be administered by the remuneration committee or a committee with specifically delegated powers, or in the absence of a committee by the Board. The Board may amend the terms of the Plan and may make additions or variations in relation to the implementation of the Plan and the specific application of the Plan rules to persons residing outside Australia. The administration of the Plan, any amendment of the Plan, and any additions or variations are subject to the listing rules.

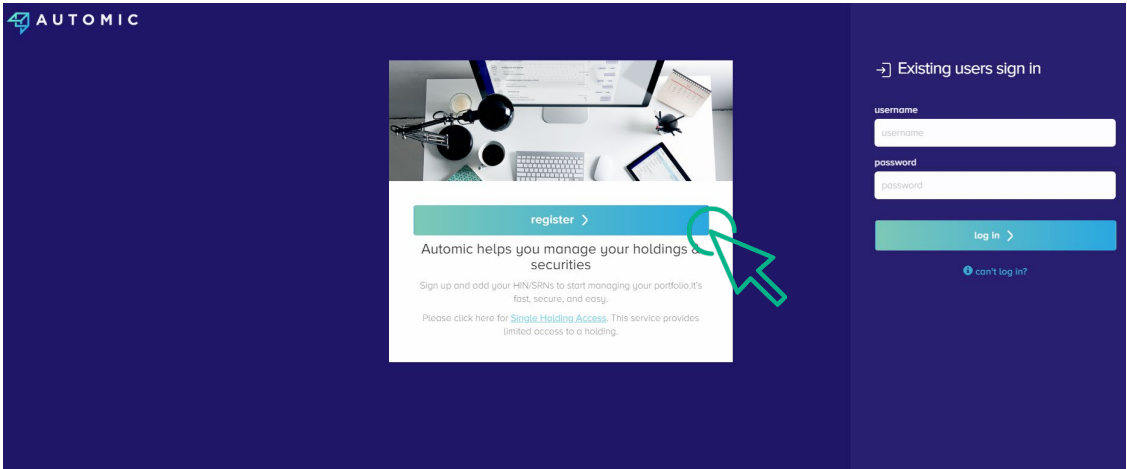
The above summary is not intended to be exhaustive. A full copy of the proposed Plan's terms is available from the Company upon request.

Virtual Meeting Registration and Voting

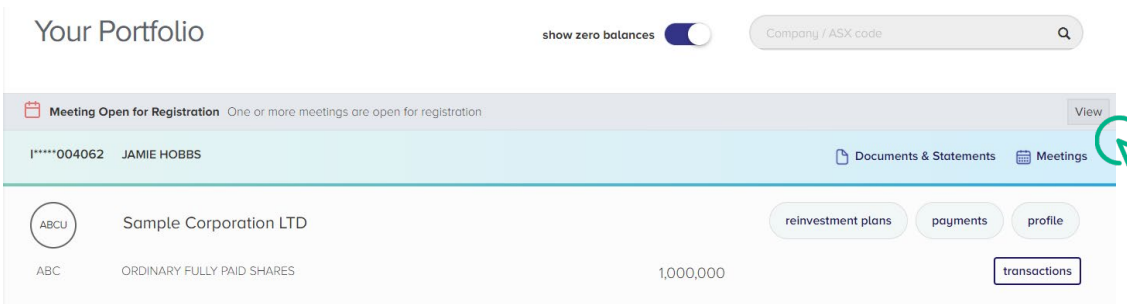


REGISTRATION

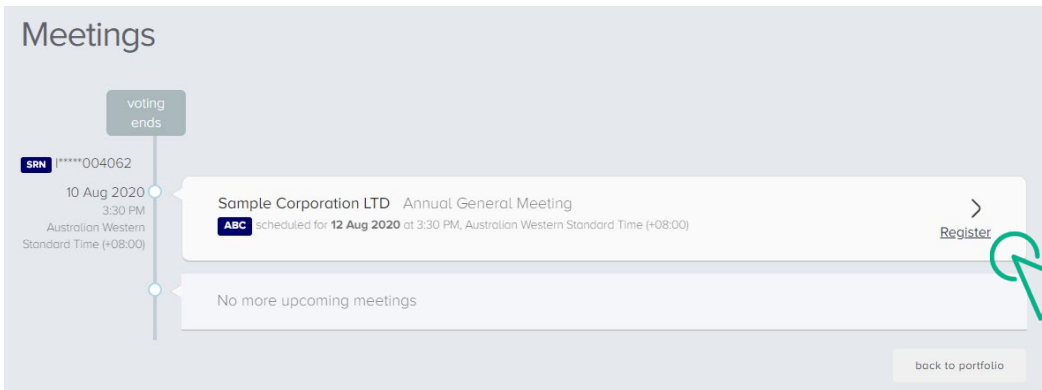
- Go to: <https://investor.automic.com.au/#/home>.
- Log in using your existing username and password or click on “register” and follow the on-screen prompts to create your login credentials.



- Once logged in you will see that the meeting is open for registration. Click on “view”.

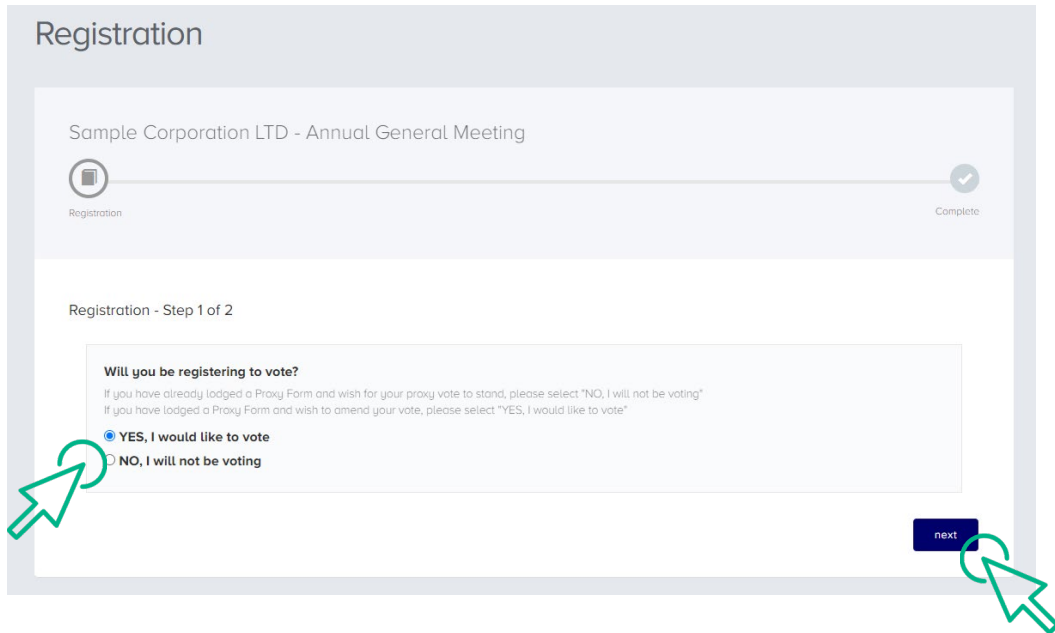


- Click on “register” to register your attendance for the meeting.



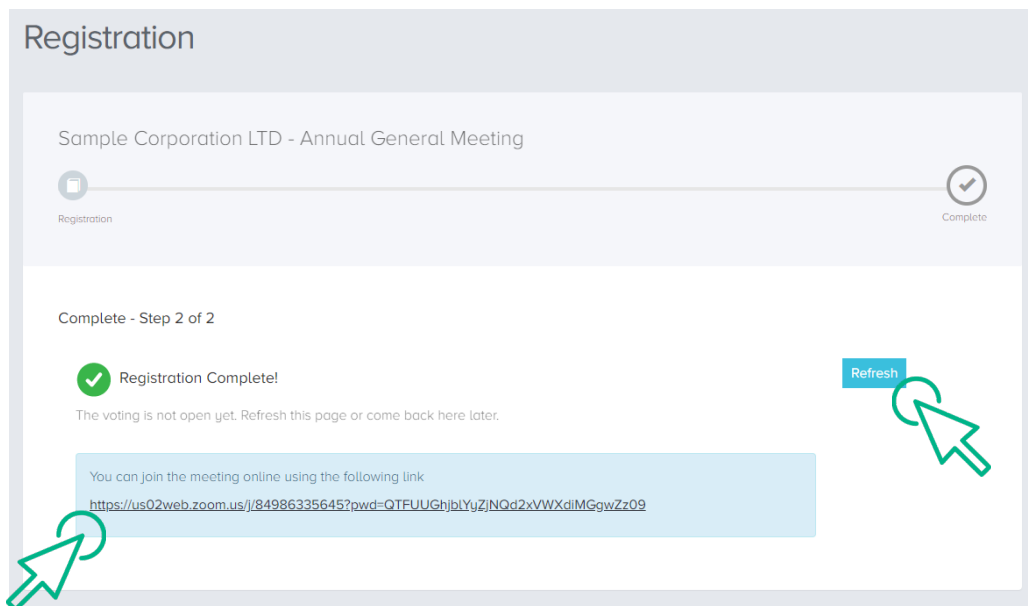
REGISTRATION

- Select “yes, I would like to vote” and then click “next”.



The screenshot shows the 'Registration' page for 'Sample Corporation LTD - Annual General Meeting'. It features a progress bar at the top with 'Registration' on the left and 'Complete' on the right. The main content area is titled 'Registration - Step 1 of 2'. It contains a question: 'Will you be registering to vote?' followed by two instructions: 'If you have already lodged a Proxy Form and wish for your proxy vote to stand, please select "NO, I will not be voting"' and 'If you have lodged a Proxy Form and wish to amend your vote, please select "YES, I would like to vote"'. Below these are two radio button options: 'YES, I would like to vote' (which is selected) and 'NO, I will not be voting'. A green arrow points to the 'YES' option. At the bottom right, there is a blue 'next' button with a green arrow pointing to it.

- You will be placed on a holding page until voting opens for the meeting. From here you can access the meeting video/audio by selecting the meeting URL.
- Once the Chair of the Meeting declares voting open, you should select “refresh”.



The screenshot shows the 'Registration' page for 'Sample Corporation LTD - Annual General Meeting'. It features a progress bar at the top with 'Registration' on the left and 'Complete' on the right. The main content area is titled 'Complete - Step 2 of 2'. It contains a green checkmark icon followed by the text 'Registration Complete!'. Below this is a message: 'The voting is not open yet. Refresh this page or come back here later.' At the bottom, there is a light blue box containing the text 'You can join the meeting online using the following link' and a Zoom URL: 'https://us02web.zoom.us/j/84986335645?pwd=QTFUUGhjb1YyZlNkd2xVWXdlMGgwZz09'. A green arrow points to the URL. At the top right, there is a blue 'Refresh' button with a green arrow pointing to it.

VOTING

- The next screen will display the resolutions to be put to the meeting.
- The Chair of the meeting will provide instructions on when to mark your vote.
- You record your vote by selecting either “for”, “against” or “abstain” next to the appropriate resolution.
- Once voting has been declared closed you must select “next” to submit your vote.

Voting

Sample Corporation LTD - Annual General Meeting

Registration Poll Review Complete

Poll - Step 2 of 4

You can join the meeting online using the following link
<https://us02web.zoom.us/j/84986335645?pwd=QTFUUGhjbUyZlNQd2xVWXdlMGgwZz09>

Resolutions
You must vote on all resolutions, except for those marked as withdrawn.

1	Remuneration Report	for	against	abstain
2	Re-Election of Mr Robert Smith as Director	for	against	abstain

prev next

- On the next screen, check your vote is correct and select the box next to “declaration” – you cannot confirm your vote unless you select this box.
- Select “confirm” to confirm your vote – you CANNOT amend your vote after pressing the “confirm” button.

Review - Step 3 of 4

Confirmation
Please review and confirm.

1	Remuneration Report	for	against	abstain
2	Re-Election of Mr Robert Smith as Director	for	against	abstain

☒ **Declaration** PLEASE NOTE: You will not be able to change your votes after pressing the confirm button.
By pressing **confirm** you agree that this online voting form has been signed, authorised and submitted by you, in your capacity as a registered holder (or legally authorised representative) of the Company, in accordance with the requirements under the Company's Constitution, the Corporations Act 2001 (Cth) and Automic's terms and conditions.

prev confirm

VOTING COMPLETE

- Your vote is now lodged and is final.

Voting

Sample Corporation LTD - Annual General Meeting

Poll

Review

Complete

Complete - Step 3 of 3

Complete

You have successfully submitted your vote.

You can join the meeting online using the following link

<https://us02web.zoom.us/j/85784417406?pwd=TFF0TTdGTEhGSENlbUN5NzF3bUUQT09;>



Exopharm Limited | ABN 78 163 765 991

Proxy Voting Form

If you are attending the virtual Meeting please retain this Proxy Voting Form for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (AEDT) on Tuesday, 23 November 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking 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 SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)

