

ASX Announcement

Melbourne, Australia, 29 March 2023

Notice of General Meeting and Proxy

Genetic medicine and exosome-based drug-delivery company Exopharm Limited (ASX:EX1) attaches the following documents in relation to the Company's Extraordinary General Meeting (EGM):

- EGM Notice of Meeting; and
- Proxy Form.

By the Managing Director – this announcement has been authorised for release by the Managing Director.

Company and Media Enquiries:

Join our mailing list to receive updates:

<http://exo.ph/ExoMails>

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ABOUT EXOPHARM

Exopharm (ASX:EX1) is a leader in exosome technology and holds a portfolio of intellectual property and know-how related to exosomes and the manufacture of exosomes.

Exosomes could be an alternative means of drug-delivery inside the body, alongside technologies such as lipid nanoparticles (LNP), cell-penetrating peptides, viral vectors and liposomes.

Exopharm's exosome technologies solve important needs for the success of exosome medicines – LEAP manufacturing technology, LOAD API loading technologies and EVPS tropism technologies.

Exosome-based medicines could improve the treatment of many chronic or inherited medical conditions.

Exopharm is making its proprietary technologies available to pharmaceutical and biotechnology companies that want to harness exosome-delivery for their own products.

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

Suite 201, 697 Burke Road
Camberwell, Victoria 3124
ACN: 163 765 991

<https://exopharm.com/>



Exopharm Limited

Notice of General Meeting

Explanatory Statement | Proxy Form

Friday, 28 April 2023

10:00AM AEST

Hybrid Meeting

Address

Level 5, 126 Phillip Street, Sydney, NSW 2000

and as a

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 General Meeting

This Notice is given based on circumstances as at 24 March 2023. 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.

To be able to hold this Meeting at both a physical and virtual venue, the Company is relying upon s249R(b) of the Corporations Act.

Venue and Voting Information

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held as a **hybrid meeting** at 10:00AM AEST on Friday, 28 April 2023 at Level 5, 126 Phillip Street, Sydney NSW 2000 and as a **virtual meeting**.

The company is pleased to provide shareholders with the opportunity to attend and participate in person or as 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.

- 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 the Company Secretary, David Franks, at david.franks@automicgroup.com.au at least five business days before the Meeting.

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 General Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the General Meeting on the date and at the place set out above.

Voting virtually at the Meeting

Shareholders who wish to vote virtually on the day of the Meeting 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 lodgement process please see the Online Proxy Lodgement 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
By email	Completing the Proxy Form and emailing it to: meetings@automicgroup.com.au

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 Share Registry or bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Technical difficulties

Technical difficulties may arise during the course of the General Meeting. The Chair has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising his discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where he considers it appropriate, the Chair may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, Shareholders are encouraged to lodge a proxy not later than 48 hours before the commencement of the Meeting.

Notice of General Meeting

Notice is hereby given that a General Meeting of Shareholders of Exopharm Limited ACN 163 765 991 will be held as a **hybrid meeting** at 10:00AM AEST on Friday, 28 April 2023 at Level 5, 126 Phillip Street, Sydney NSW 2000 and as a **virtual meeting (Meeting or General Meeting)**.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the 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 General Meeting are those who are registered Shareholders at 7:00PM AEST on Wednesday, 26 April 2023.

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

Agenda

Ordinary business

Resolutions

1. **Resolution 1** – Approval for conversion of Convertible Notes

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

“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue of 125,000,000 fully paid ordinary shares by the Company on conversion of 1,000,000 existing convertible notes held by unrelated exempt investors at a conversion price of \$0.008 (0.8 cents) per share, as described in the Explanatory Statement which accompanied and formed part of this Notice of Meeting.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of a person 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 an associate of that person or those persons.

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

- (a) 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
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given by the chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - o 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.

2. **Resolution 2 – Ratification of prior issue of Options**

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

“That, for the purpose of Listing Rule 7.4 and for all other purposes, shareholders ratify the prior agreement to issue of an aggregate of 3,000,000 options (each with an exercise price of \$0.01 (1 cent), expiring 36 months from issue and which, upon exercise, entitle the holder to one fully paid ordinary share in the Company) to ACNS Capital Markets Pty Ltd and Canary Capital Pty Ltd (and/or their nominee(s)), as described in the Explanatory Statement which accompanied and formed part of this Notice of Meeting.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of a person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons, including ACNS Capital Markets Pty Ltd and Canary Capital Pty Ltd (and/or their nominee(s)).

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

- (a) 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
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given by the chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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.

BY ORDER OF THE BOARD



David Franks
Company Secretary

24 March 2023

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held as a **hybrid meeting** at 10:00AM AEST on Friday, 28 April 2023 at Level 5, 126 Phillip Street, Sydney NSW 2000 and 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 General Meeting are set out below.

Resolutions

Resolution 1 – Approval for conversion of Convertible Notes

Background

On 9 March 2023, the Company announced that it had issued \$1 million of convertible notes (each with a face value of \$1.00, conversion price of \$0.008 (0.8 cents) and maturity date of 9 March 2024) (**Notes**) to unrelated exempt investors. Annexure A contains a summary of Note terms.

Conversion of Notes to fully paid ordinary shares is conditional upon the Company having obtained all necessary legal, regulatory and shareholder approvals. The Company seeks shareholder approval for the issue of shares on conversion of the Notes under Resolution 1.

The Company may seek further shareholder approval for the issue of shares on conversion of Notes, on terms similar to those contained in Resolution 1, where shareholders do not approve Resolution 1 or if shareholder approval under Resolution 1 lapses (noting that the shareholder approval remains in place for three (3) months from when it is given under the Listing Rules) prior to Notes converting. Notes are not able to be converted whilst a valid shareholder approval is not in place, for example due to such shareholder approval not being obtained or having lapsed.

Subject to all necessary legal, regulatory and shareholder approvals being obtained and, where relevant, valid at the time of conversion, Notes:

- may be converted into fully paid ordinary shares by the holder between 1 May 2023 and 9 December 2023, being the date that is three (3) months before the maturity date; or
- convert automatically upon the completion of a:
 - pro rata rights issue offer to raise a minimum of \$1.5 million (including following the placement of any shortfall) (**Rights Issue**). The terms of the Rights Issue were indicatively described in the announcement released to ASX on 13 February 2023 remain under consideration by the Company and are proposed to be announced to ASX after the date of the Notice of Meeting; or
 - placement (or a combination of an entitlement issue and placement) to raise a minimum of \$1.5 million.

Notes that are not converted into fully paid ordinary shares as described above are redeemable on the earlier to occur of 9 March 2024 (being 12 months after the date on which the Notes were issued) or upon the sale of the Company's main undertaking or major asset.

ACNS Markets Pty Ltd trading as Alto Capital (**Alto Capital**) and Canary Capital Pty Ltd (**Canary Capital**) acted as joint lead managers of the issue of the Notes. Alto Capital and Canary Capital are referred to collectively in this Notice of Meeting as the **Joint Lead Managers**.

Effect of approving or not approving the Resolution

If shareholders approve Resolution 1, the Company will be able to issue fully paid ordinary shares on conversion of the Notes at a conversion price of \$0.008 (0.8 cents) per share. The issue of fully paid ordinary shares on conversion will also increase the placement capacity available to the Company under Listing Rule 7.1 and, if the relevant approval is held at the time, Listing Rule 7.1A. If shareholders do not approve Resolution 1 then the Notes will not be able to be converted into fully paid ordinary shares and the Notes will be redeemable as described above.

The Company may seek further shareholder approval for the issue of shares on conversion of Notes, on terms similar to those contained in Resolution 1, where shareholders do not approve Resolution 1 or if shareholder approval under Resolution 1 lapses (noting that the shareholder approval remains in place for three (3) months from when it is given under the Listing Rules) prior to Notes converting. Notes are not able to be converted whilst a valid shareholder approval is not in place, for example due to such shareholder approval not being obtained or having lapsed.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more securities during any 12 months period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of the 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

The following information is provided for Resolution 1 in accordance with ASX Listing Rule 7.3:

- The Notes were issued to unrelated exempt investors identified by the Joint Lead Managers. The shares the subject of Resolution 1 will be issued to the holders of Notes on conversion. The unrelated exempt investors are not considered material under section 7.2 of ASX Guidance Note 21.
- The maximum number of securities the subject of Resolution 1 is 125,000,000 shares.
- Shares issued on conversion of the Notes have the same terms as, and rank equally with, the existing fully paid ordinary shares on issue.
- The Company proposes issuing the shares the subject of Resolution 1 shortly after the Meeting in accordance with the conversion conditions described above and, in any event no later than three (3) months after the date of the Meeting. As noted above, the Company may seek further shareholder approval for the issue of shares on conversion of Notes, on terms similar to those contained in Resolution 1, where either shareholders do not approve Resolution 1 or if shareholder approval under Resolution 1 lapses prior to conversion.
- The fully paid ordinary shares the subject of Resolution 1 are to be issued on conversion of the Notes at a conversion price of \$0.008 (0.8 cents) per share.
- No funds will be raised from issue of the fully paid ordinary shares the subject of Resolution 1, which are to be issued on conversion of Notes as described above. The issue of Notes raised \$1 million before costs. Funds raised from issue of the Notes has been, or are proposed to be, used to fund the working capital requirements of the Company.

- The fully paid ordinary shares under Resolution 1 are to be issued on conversion of Notes. A summary of the material terms of the Notes is set out in Annexure A.
- A voting exclusion statement as set out in the Notice of Meeting applies to Resolution 1.

Directors' Recommendation

The Board of Directors is not making a recommendation for this Resolution 1.

The Chair intends to vote all undirected proxies in favour of this Resolution 1.

Resolution 2 – Approval for issue of Options

Background

Resolution 2 seeks shareholder ratification of the prior agreement between the Company and the Joint Lead Managers under which the Company agreed to issue an aggregate of 3,000,000 options (each with an exercise price of \$0.01, expiring thirty-six (36) months from issue and which, upon exercise, entitle the holder to one fully paid ordinary share in the Company) to the Joint Lead Managers (and/or their nominee(s)) for provision of lead manager services in connection with the Rights Issue and, if applicable, placement, with issue of the options being conditional upon the full subscription being received under the Rights Issue and/or placement (including in combination, as applicable) to be announced to ASX following the date of the Notice of Meeting.

Resolution 2 seeks shareholder ratification of the agreement to issue the options to the Joint Lead Managers (and/or their nominee(s)) as described above.

Effect of approving or not approving the Resolution

If shareholders approve Resolution 2, the agreement to issue the options will no longer use the placement capacity available to the Company under Listing Rule 7.1. The issue of fully paid ordinary shares on exercise of options will also increase the placement capacity available to the Company under Listing Rule 7.1 and, if the relevant approval is held at the time, Listing Rule 7.1A. If shareholders do not approve Resolution 2 then the options will continue to use the placement capacity available to the Company under Listing Rule 7.1.

ASX Listing Rules

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions including ASX Listing Rule 7.1A, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the share capital of the Company at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities, or an agreement to issue securities, made pursuant to ASX Listing Rule 7.1 (provided the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued or agreed to be issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under ASX Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under ASX Listing Rule 7.1.

The following information is provided for Resolution 2 in accordance with ASX Listing Rule 7.5:

- The agreement to issue the options the subject of Resolution 2 was entered into with Alto Capital and Canary Capital, each of whom is not a related party of the Company.
- The number of securities agreed to be issued was 3,000,000 options.

- These Advisor Options will be issued within 3 months of Shareholder approval being obtained by the Company
- Each option has an exercise price of \$0.01 (1 cent), expiring thirty-six (36) months from issue and, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of options are set out in Annexure B. Shares issued on exercise of options (if any) will have the same terms as, and rank equally with, the existing fully paid ordinary shares on issue.
- The issue of the options the subject of Resolution 2 is conditional upon the full subscription being received under the Rights Issue and/or placement (including in combination, as applicable) to be announced to ASX following the date of the Notice of Meeting.
- The options are to be issued for no cash consideration for provision of lead manager services in connection with the Rights Issue and, if applicable, placement.
- No funds will be raised from issue of the options under Resolution 2. Funds raised on exercise of options (if any) will be used for working capital at the time of exercise.
- A voting exclusion statement as set out in the Notice of Meeting applies to Resolution 2.

Directors' Recommendation

The Board of Directors is not making a recommendation for this Resolution 2.

The Chair intends to vote all undirected proxies in favour of this Resolution 2.

Enquiries

Shareholders are asked to contact the Company Secretary on +61 2 8072 1400 if they have any queries in respect of the matters set out in these documents.

Glossary

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

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.

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.

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.

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

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

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting dated 24 March 2023 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.

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

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, 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 Pty Ltd.

Annexure A – Summary of Note terms

The terms of the Notes (**Convertible Notes** in this Annexure A) are set out in the example copy of the Convertible Note Subscription Agreement which was attached to the Company's announcement of the issue of the Convertible Notes released to ASX on 9 March 2023.

The following is a summary of key terms of the Convertible Notes:

- (a) The face value and issue price of each Convertible Notes is A\$1.00 (1 dollar).
- (b) The Convertible Notes are unsecured, do not accrue interest, and the Company does not intend to apply for listing of the Convertible Notes on ASX.
- (c) There are no participating rights or entitlements inherent in the Convertible Notes and a Convertible Note holder will not be entitled to participate in new issues of capital offered to the Company's shareholders during the term of the Convertible Notes until Shares are issued pursuant to the conversion of the relevant Convertible Notes.
- (d) The Convertible Notes will not give any right to participate in dividends until Shares are issued pursuant to the conversion of the relevant Convertible Notes.
- (e) Subject to the Company having obtained all necessary legal, regulatory and shareholder approvals having been obtained, the Convertible Notes may be converted by the holder during the period commencing on 1 May 2023 and ending at 5.00pm WST on the day that is three (3) months before the maturity date (being 9 December 2023) by written notice to the Company. Conversion of Convertible Notes resulting in any person acquiring or increasing a relevant interest in 20% or more of the Company's then issued voting (ordinary) shares would be subject to compliance with applicable laws at the time of the conversion (and if approvals are not sought or obtained the number of Convertible Notes converted would be limited to the number that would not result in a relevant interest beyond the permitted level being acquired or held).
- (f) The conversion price of the Convertible Notes is A\$0.008 (0.8 cents) each (the **Conversion Price**).
- (g) All Shares issued upon the conversion of the Convertible Notes will rank equally in all respects with the Company's then issued Shares. The Company will apply to ASX for all Shares issued pursuant to the conversion of the Convertible Notes to be admitted to quotation within the time period specified in the Listing Rules (or if no period is specified, promptly).
- (h) Subject to paragraph (e), above, the Convertible Notes will automatically convert upon the completion of the entitlement issue consisting of a pro rata offer to shareholders to raise a minimum of \$1,500,000 as announced to ASX on 13 February 2023 and includes issues of shares from shortfall (if any) in acceptances 7 and application for additional shares by eligible shareholders where permitted by the Listing Rules, or of a material capital raise by way of a placement (or a combination of an entitlement issue and placement) to raise a minimum of \$1,500,000.
- (i) In the event of any reorganisation of the capital of the Company (including consolidation, subdivisions, reduction or return) prior to the Expiry Date the rights of a Convertible Note

holder will also be reconstructed in the same proportion and manner as the reorganisation of the capital of the Company.

- (j) The Convertible Notes not previously converted or redeemed will be automatically redeemed on the maturity date, 9 March 2024 (being 12 months after the date on which the Convertible Notes were issued), or on the sale of the Company's main undertaking or major asset.
- (k) The Convertible Notes are transferable, subject at all times to the requirements of the Corporations Act 2001 (Cth) and any other applicable law or regulation.
- (l) Convertible Note terms may be amended, or any term thereof waived, on the written consents of both the issuer and the holders of a majority of the Convertible Notes (by the total face value on all issued Convertible Notes).
- (m) Any proceedings in respect of subscription for the Convertible Notes shall be governed by the non-exclusive jurisdiction of the courts of Western Australia. The terms of the Convertible Notes include provisions of the kind commonly found in agreements of this type, including undertakings, covenants, representations, warranties and indemnities by the Company. The above is by its nature a summary and as between the Company and each Investor alter or affect the application or interpretation of the terms of the Convertible Notes.

Annexure B – Terms of Options

The full terms of options (**Options**) the subject of Resolution 2 are set out below:

- (a) Each Option entitles the holder to acquire one fully paid ordinary share (**Share**) in the capital of the Company.
- (b) The exercise price is \$0.01 (1 cent) (**Exercise Price**) per Option.
- (c) Each Option is exercisable at any time prior to 5:00pm Melbourne time on the date that is 36 months after the issue of the Options (**Expiry Date**).
- (d) Options may be exercised by providing written notice together with payment for the number of Shares in respect of which Options are exercised to the registered office of the Company.
- (e) Any Option that has not been exercised prior to the Expiry Date or cancelled in accordance with these terms shall automatically lapse.
- (f) A Option shall not be able to be exercised (and the Company will not be required to issue Shares upon such exercise) if it would be unlawful to do so.
- (g) Subject to compliance with applicable laws, Options are freely transferable.
- (h) The Exercise Price is payable in full upon exercise of an Option.
- (i) Where an Option holder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.
- (h) All Shares issued upon exercise of Options will rank *pari passu* in all respect with, and have the same terms as, the Company's then issued fully paid ordinary shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX and the Company being listed on ASX at the relevant time. The Options will not give any right to participate in dividends until shares are issued pursuant to the terms of the relevant Options.
- (i) There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offers to shareholders without first exercising the Option. Prior to the Expiry Date and if required by the ASX Listing Rules, the Company will send notices to option holders in accordance with the time limits required by the ASX Listing Rules in respect of offers of securities made to shareholders.
- (j) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- (k) Options will otherwise have the terms as required by ASX and the ASX Listing Rules.

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 (AEST) on Wednesday, 26 April 2023**, 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:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

