

HERAMED LIMITED

ACN 626 295 314

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10:30am (Sydney time)

DATE: 12 October 2022

PLACE: Automic Group, Level 5, 125 Phillip St, Sydney NSW 2000

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary by email on jonathan@hera-med.com.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is hereby given that the Meeting will be held at 10:30am (Sydney time) on 12 October 2022 at Automic Group, Level 5, 125 Phillip St, Sydney NSW 2000.

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:30am (Sydney time) on 10 October 2022.

All Resolutions at the Meeting will be decided based on proxy votes.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations

Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company for the financial year ended 31 December 2021, together with the Directors' Declaration, the Directors' Report, the Remuneration Report and the Independent Auditor's Report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes 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 31 December 2021."

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

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – DAVID HINTON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr David Hinton, who retires and being eligible, offers himself for election as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – DR RON WEINBERGER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Dr Ron Weinberger, who retires and being eligible, offers himself for election as a Director."

5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LR 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,000,000 Options under Listing Rule 7.1 to PAC Partners Securities Pty Ltd (and or its nominee(s)) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

6. RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS – LR 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 850,000 Options under Listing Rule 7.1 to Ms Anoushka Gungadin (and or her nominees) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

7. RESOLUTION 6 – RATIFY TRANCHE 1 PLACEMENT SHARES ISSUED UNDER LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 26,104,258 Shares issued under Listing Rule 7.1 at an issue price of \$0.13 each, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

8. RESOLUTION 7 – APPROVE ISSUE OF TRANCHE 2 PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 4,664,972 Shares at an issue price of \$0.13 each, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

9. RESOLUTION 8 – APPROVAL OF ISSUE OF OPTIONS – PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, 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 10,256,410 Options with an exercise price of \$0.22 and an expiry date of 28 April 2024 and on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

10. RESOLUTION 9 - APPROVAL OF ISSUE OF ADVISORY OPTIONS – PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, 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 4,000,000 Advisory Options to PAC Partners Pty Ltd (and or its nominee(s)) on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

11. RESOLUTION 10 – APPROVAL OF ISSUE OF OPTIONS

To consider and, if thought fit, to pass, with or without amendment, 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 250,000 Options to Michal Vasiliver with an exercise price of \$0.15 and an expiry date of 9 August 2027 and on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

12. RESOLUTION 11 - ADOPTION OF EMPLOYEE SHARE OPTION PLAN (ESOP)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.2 (Exception 13), and for all other purposes, approval is given to the Company to adopt an Employee Incentive Option Plan (ESOP) and for the issue of a maximum of 11,899,603 securities under the ESOP in accordance with the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

13. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT CAPACITY

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of 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 Shares), or an associate of that person (or those persons).

Dated: 30 August 2022

By order of the Board

Ron Weinberger
Chairman

Voting Exclusion Statements

In Accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the of the following persons:

Resolution 4 - Ratification of prior issue of Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely, PAC Partners Securities Pty Ltd or its nominees) or an associate of that person or those persons.
Resolution 5 - Ratification of prior issue of Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely, Anoushka Gungadin and or her nominees) or an associate of that person or those persons.
Resolution 6 – Ratify Tranche 1 Placement Shares issued under Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely, PAC Partners Securities Pty Ltd or its nominees) or an associate of that person or those persons..
Resolution 7 – Approve issue of Tranche 2 Placement Shares	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), namely institutional, sophisticated and professional clients of PAC Partners Securities Pty Ltd (or its nominee(s)), or an

	associate of that person (or those persons).
Resolution 8 – Approval of issue of Options - Placement	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), namely institutional, sophisticated and professional clients of Pac Partners Securities Pty Ltd (or its nominee/s), or an associate of that person (or those persons).
Resolution 9 – Approval of issue of Advisory Options - Placement	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), namely Pac Partners Pty Ltd (or its nominee/s), or an associate of that person (or those persons).
Resolution 10 – Approval of issue of Options	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), namely Ms Michal Vasiliver (or her nominee/s), or an associate of that person (or those persons).
Resolution 11 – Adoption of Employee Share Option Plan (ESOP)	A person who is eligible to participate in the employee incentive scheme or any associate of 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 the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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

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

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none"> (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or (b) Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: <ul style="list-style-type: none"> • does not specify the way the proxy is to vote on this Resolution; and • expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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Resolution 11 – Adoption of Employee Share Option Plan (ESOP)	<p>A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either a:</p> <ul style="list-style-type: none">• a member of the key Management Personnel; or• a Closely Related Party of such a member; and <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</p>
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EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

BACKGROUND TO LISTING RULES APPLICABLE TO RESOLUTIONS

Listing Rule 7.1

Listing Rule 7.1, commonly referred to as the “**15% rule**”, limits the capacity of an ASX-listed company to issue securities without the approval of its shareholders. In broad terms, that Listing Rule provides that a company may not issue or agree to issue Equity Securities equal to more than 15% of the total number of ordinary securities on issue in the capital of the company 12 months prior to the proposed date of issue or agreement to issue (but excluding any shares issued in reliance on the 15% rule in that 12 month period), unless the issue or agreement to issue is approved by shareholders or otherwise comes within one of the exceptions to Listing Rule 7.1.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.1 is so approved (each an **Approved 7.1 Resolution**), the Company's ability to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules, will not be decreased as a result of the issue of any Equity Securities pursuant to an Approved 7.1 Resolution.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.1 is not so approved (each a **Disapproved 7.1 Resolution**), the Company will during the next 12 month period and in the absence of specific Shareholder approval being granted at the relevant time, have its ability to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules, decreased by the number of Equity Securities that are the subject of a Disapproved 7.1 Resolution.

Listing Rule 7.4

A company in general meeting can ratify, by passage of an ordinary resolution, an issue of Equity Securities made in the preceding 12 months without shareholder approval in compliance with the 15% rule, so as to reverse the “depletion” of the company's capacity to issue Equity Securities without shareholder approval under 15% rule resulting from that previous issue.

Listing Rule 7.4, known as the “**subsequent approval**” rule, validates an issue of Equity Securities made without shareholder approval under Listing Rule 7.1 as if it had been made with shareholder approval for the purposes of Listing Rule 7.1 if both of the following criteria are satisfied, namely:

- (a) the issue was not made in breach of Listing Rule 7.1; and
- (b) the holders of ordinary securities in the company subsequently approve that issue.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.4 is so approved (each an **Approved 7.4 Resolution**), the Company's ability to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules will not be decreased as a result of the issue of any Equity Securities pursuant to an Approved 7.4 Resolution.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.4 is not so approved (each a **Disapproved 7.4 Resolution**), the Company will during the next 12 month period and in the absence of specific Shareholder approval being granted at the relevant time, either:

- (a) have its ability to issue further Equity Securities decreased by the number of Equity Securities that were issued pursuant to a Disapproved 7.4 Resolution; or
- (b) be required to redeem and cancel some or all of the number of Equity Securities that were issued pursuant to a Disapproved 7.4 Resolution, depending on the extent, if any, by which that number exceeds the capacity of the Company to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31 December 2021, together with the Directors' Declaration, the Directors' report, the Remuneration Report and the Independent Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available at the registered office of the Company. Please note the Company's auditor will attend the AGM and will answer any queries Shareholders may have.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election / re-election as directors is approved, will be the directors of the Company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were not more than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directed	Undirected
Key Management Personnel ¹	Voted	Not voted ³
Chair ²	Voted	Voted at discretion of Proxy ⁴
Other	Voted	Voted at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS – MR DAVID HINTON AND DR RON WEINBERGER

In accordance with clause 14.2 of the Company's Constitution, at the Company's annual general meeting in every year, one third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

Resolution 2 seeks approval for the re-election of Mr David Hinton as a Non-Executive Director, retiring by rotation pursuant to the Company's Constitution.

Resolution 3 seeks approval for the for the re-election of Dr Ron Weinberger as Non-Executive Chairman, retiring by rotation pursuant to the Company's Constitution.

4. RESOLUTION 4 – RATIFICATION OF ISSUE OF OPTIONS – LR 7.1

On or about 14 October 2021 (**Commencement Date**), the Company engaged Pac Partners Securities Pty Ltd (**PAC Partners**) to act as lead manager to the capital raising in relation to the \$2.39 million raised via a convertible note issue on the terms and conditions set out in ASX Announcement dated 18 October 2021 (**Capital Raising**). PAC Partners was engaged to act as sole and exclusive lead manager and bookrunner for the Capital Raising (**Lead Manager Mandate**). The Company agreed to pay PAC Partners the following fees pursuant to the Lead Manager Mandate:

- (a) a cash placement fee of 6% of the funds raised under the Capital Raising received from participants procured by PAC Partners; and
- (b) 1,000,000 Options, with an exercise price of \$0.02 and expiry of 28 April 2024.

PAC Partners may terminate this Lead Manager Mandate if the Company breaches the Lead Manager Mandate and does not remedy the breach within 14 days of written notice. If the Company considers PAC Partners is unable or unwilling to perform fully and properly its obligations under this appointment for any reason other than gross negligence, wilful misconduct or fraud by PAC Partners (**Cause**), then the Company must provide notice in writing setting out reasons why the Company reasonably believes reason to terminate has arisen. The Company shall give PAC Partners an opportunity to rectify any issues and if PAC Partners fails to rectify such issues within 14 business days after receiving written notification, the Company may terminate the Lead Manager Mandate. The Lead Manager Mandate will continue to be in force until the capital raising is complete and or the Lead Manager Mandate is terminated. Otherwise the Lead Manager Mandate contains standard terms and conditions of an agreement of this nature.

PAC Partners and or its nominees are not a related party of the Company. 1,000,000 Options were issued detailed above by utilising the Company's existing capacity under Listing Rule 7.1.

Listing Rule 7.1 allows an entity to issue (or agree to issue) up to 15% of the Company's fully paid ordinary shares on issue in any 12-month period without the approval of the Shareholders of the Company.

Listing Rule 7.4 provides that where an entity in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of all the 1,000,000 Options issued pursuant to ASX Listing Rule 7.1 (**7.1 Ratification**).

If Resolution 4 is passed, the Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number off equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Options.

If Resolution 4 is not passed, the Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Options.

In accordance with the disclosure requirement of ASX Listing Rule 7.5, the Company advises as follows in respect of the 7.1 Ratification:

- (a) **Size of Issue** – a total of 1,000,000 Options were issued.

- (b) **Consideration** – the Options were issued for nil cash consideration but in satisfaction of acting as lead manager to the Capital Raising.
- (c) **Terms of Options** – the terms of the Options are set out in Schedule A.
- (d) **Date of issue** – all Options were issued on 5 May 2022.
- (e) **Allothees** – the Options were issued to PAC Partners and or its nominees.
- (f) **Funds Raised** – funds were not raised from the issue of the Options as the Options were issued in satisfaction of PAC Partners acting as lead manager to the Capital Raising.

5. RESOLUTION 5 – RATIFICATION OF ISSUE OF OPTIONS – LR 7.1

On 2 August 2022, the Company entered into an Award Agreement with Ms Anoushka Gungadin (**Optionee**) in relation to the issue of 850,000 unlisted options (which have vesting conditions) under the Company's ESOP (defined below), exercisable at \$0.1358 and expiring 28 July 2027 (**Award Options**) as consideration for her role as director of strategic partnerships, Australia and New Zealand.

In no event may the Optionee exercise the Award Options after 28 July 2027. In the event that that the Optionee shall cease to be a service provider of the Company for any reason (including, but not limited to, resignation and retirement, but excluding termination by reasons of the Optionee's disability, death or for cause), the outstanding vested Options on the date of such termination shall be exercisable for three (3) months following the date of such termination, but in no event later than the 28 July 2027.

In case of termination by reason of Optionee's death or Disability, the outstanding vested Options on the date of such termination shall be exercisable for twelve (12) months following the date of such termination but in no event later than 28 July 2027.

Notwithstanding the above, if Optionee should cease to be a service provider of the Company thereof for Cause, the entire unexercised Option (whether vested or not) shall ipso facto terminate and Optionee shall have no further rights with respect to such Option, including, without limitation, to purchase the Shares subject thereto, immediately upon the earlier of: (i) the date of such termination; or (ii) the time of delivery of the notice of termination for cause.

The Award Agreement is governed by the laws of Western Australia and otherwise contains the standard terms and conditions of an agreement of this nature.

The Optionee is not a related party of the Company. For more information, please see ASX Announcement 26 July 2022 and Appendix 3G dated 2 August 2022. 850,000 Consultant Options were issued by utilising the Company's existing capacity under Listing Rule 7.1.

For a summary of Listing Rules 7.1 and 7.4 please see page 7 and section 4 above.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of all the 850,000 Award Options issued pursuant to ASX Listing Rule 7.1 (**7.1 Ratification**).

If Resolution 5 is passed, the Award Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Award Options.

If Resolution 5 is not passed, the Award Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Award Options.

In accordance with the disclosure requirement of ASX Listing Rule 7.5, the Company advises as follows in respect of the 7.1 Ratification:

- (a) **Size of Issue** – a total of 850,000 Award Options were issued.
- (b) **Consideration** – the Award Options were issued for nil cash consideration but in satisfaction of providing consulting services to the Company.
- (c) **Terms of Consultant Options** – the terms of the Award Options are set out in Schedule B;
- (d) **Date of issue** – all Award Options were issued on 2 August 2022.
- (e) **Allothees** – the Award Options were issued to Anoushka Gungadin and or her nominees.
- (f) **Funds Raised** – funds were not raised from the issue of the Award Options as the Award Options were issued under the Award Agreement relating to her role as director of strategic partnerships with the Company.

6. **RESOLUTION 6 – RATIFY TRANCHE 1 PLACEMENT SHARES ISSUED UNDER LISTING RULE 7.1**

On 24 August 2022, the Company announced an equity raising (**Equity Raising**) comprising a placement of an aggregate of 30,769,230 Shares each at an issue price of \$0.13 to institutional, professional, and sophisticated investors to be completed in two tranches of:

- (a) 26,104,258 Shares (**Tranche 1 Placement Shares**) issued under the Company's existing placement capacity pursuant to Listing Rule 7.1 (**Tranche 1 Placement**); and
- (b) 4,664,972 Shares (**Tranche 2 Placement Shares**) to be issued subject to Shareholder approval under Resolution 7 (**Tranche 2 Placement**),

to raise up to a total of approximately \$4 million (before costs) (**Placement**). Every investor participating in the Placement will also be allocated an attaching unlisted option on a 1-for-3 basis (exercise price of \$0.22 and an expiry date of 28 April 2024) subject to Shareholder approval under Resolution 8 (**Option Placement**).

Proceeds raised under the Equity Raising will be used to fund working capital purposes, further development work on the HeraMED platform and sales/marketing-related initiatives.

PAC Partners provided capital raising services to the Company in connection with the Placement.

Refer to the Company's ASX Announcement of 24 August 2022 for further details of the Equity Raising.

The Tranche 1 Placement Shares were issued on 31 August 2022. Refer to the Appendix 2A lodged by the Company on ASX on 31 August 2022.

Resolution 6 seeks Shareholder ratification pursuant to Listing Rule 7.4 and for all other purposes for the issue of the Tranche 1 Placement Shares (pursuant to the Company's capacity under Listing Rule 7.1) to institutional, professional and sophisticated investors (who are not related parties or associates of related parties of the Company) to raise approximately \$4 million (before costs).

For a summary of Listing Rules 7.1 and 7.4 please see page 7 and section 4 above.

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. Accordingly, Resolution 7 seeks Shareholder approval for the issue of the Tranche 1 Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 6 is passed, the issue of the Tranche 1 Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 6 is not passed, the issue of the Tranche 1 Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the issue date.

In accordance with Listing Rule 7.5, information is provided in relation to the Tranche 1 Placement Shares as follows:

- (c) on 31 August 2022, the Company issued 26,104,258 Shares to institutional, professional and sophisticated investors identified by PAC Partners as part of the bookbuild process for the Placement. None of the participants are related parties of the Company or 'material investors' under ASX Guidance Note 21;
- (d) the Tranche 1 Placement Shares were all fully paid ordinary shares in the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (e) the Tranche 1 Placement Shares were issued on 31 August 2022;
- (f) the Tranche 1 Placement Shares were issued at \$0.13 per Share;
- (g) the purpose of the issue of the Tranche 1 Placement Shares was to raise approximately \$3,393,553 (before costs), which will be used to fund working capital purposes, further development work on the HeraMED platform and sales/marketing-related initiatives;
- (h) the Tranche 1 Placement Shares were issued pursuant to short form subscription letters pursuant to which subscribers under the Placement agreed to be issued Tranche 1 Placement Shares as at issue price of \$0.13 per Share; and
- (i) a voting exclusion statement is included in the Notice for Resolution 6.

7. RESOLUTION 7 – APPROVE ISSUE OF TRANCHE 2 PLACEMENT SHARES

Resolution 7 seeks Shareholder approval pursuant to Listing Rule 7.1 and for all other purposes for the issue of the Tranche 2 Placement Shares to institutional, professional and sophisticated investors (who are not related parties or associates of related parties of the Company) to raise approximately \$606,446.36 (before costs).

Refer to section 6 for further details of the Placement.

A summary of Listing Rule 7.1 is set out on page 7 and in section 4 above.

The issue of the Tranche 2 Placement Shares does not fall within any of the exceptions and exceeds the Company's 15% placement capacity under Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 7 seeks the required Shareholder approval to issue the Tranche 2 Placement Shares under and for the purposes of Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to issue the Tranche 2 Placement Shares and, by extension, will not raise approximately \$606,446.36 (before costs) and will need to seek alternative sources of financing. However, the Company advises that it currently holds sufficient cash, which provides additional balance sheet flexibility.

In accordance with Listing Rule 7.3, information is provided in relation to the Tranche 2 Placement Shares as follows:

- (a) up to a maximum of 4,664,972 Shares will be issued to institutional, professional and sophisticated investors identified by PAC Partners as part of the bookbuild process for the Placement. None of the participants are related parties of the Company or 'material investors' under ASX Guidance Note 21;
- (b) the Tranche 2 Placement Shares will all be fully paid ordinary shares in the Company and will rank equally in all respects with the Company's existing Shares on issue;
- (c) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Tranche 2 Placement Shares will occur on the same date;
- (d) the purpose of the issue of the Tranche 2 Placement Shares is to raise approximately \$606,446.36 (before costs), which will be used to fund working capital purposes, further development work on the HeraMED platform and sales/marketing-related initiatives;
- (e) the Tranche 2 Placement Shares will be issued pursuant to short form subscription letters pursuant to which subscribers under the Placement will be issued Tranche 2 Placement Shares as at issue price of \$0.13 per Share; and
- (f) a voting exclusion statement is included in the Notice for Resolution 7.

8. RESOLUTION 8 – APPROVAL FOR ISSUE OF OPTIONS – PLACEMENT

8.1 General

Resolution 8 seeks Shareholder approval for the issue of 10,256,410 Options for nil consideration to subscribers in the Option Placement (defined above in section 7). The Options have an exercise price of \$0.22 and an expiry date of 28 April 2024.

As summarised on page 7, 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 shares it had on issue at the start of that period. The proposed issue of the Options the subject of Resolution 9 does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the Option Placement. In addition, the issue of the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the Option Placement at this point in time and the issue of the Options would likely be made at a later date when the Company has placement capacity to do so.

8.2 Technical Information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Options will be issued to professional and sophisticated investors who participated in the Placement. The recipients were identified through a bookbuild process, which involved PAC Partners seeking expressions of interest to participate in the capital raising from non-related parties of the Company. None of the recipients are 'material investors' under ASX Guidance Note 21;
- (b) the maximum number of Options to be issued is 10,256,410;
- (c) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the Options will be issued, for nil consideration, to those entities or persons that participated in the Placement on the basis of 1 Option from every 3 Shares subscribed for and issued;
- (e) the Options will be issued on the terms and conditions set out in Schedule A; and
- (f) no funds will be raised from the Option Placement as the Options will be issued for nil consideration, on a one-for three basis to the Shares the subject of the Placement.

9. RESOLUTION 9 - APPROVAL OF ISSUE OF ADVISORY OPTIONS – PLACEMENT

Pursuant to a capital raising mandate between the Company and PAC Partners dated on or about 23 August 2022 (**Commencement Date**), PAC Partners was engaged to act as sole and exclusive lead manager and bookrunner for the capital raising (**Capital Raising Mandate**). The Company agreed to pay PAC Partners or its nominees (**Resolution 9 Allottees**) the following fees pursuant to the Capital Raising Mandate:

- (a) a cash placement fee of 6% of the funds raised under the capital raising received from participants procured by PAC Partners; and
- (b) 4,000,000 unlisted options exercisable at \$0.22 each expiring on 28 April 2024 (**Advisor Options**).

PAC Partners may terminate this Capital Raising Mandate if the Company breaches the Capital Raising Mandate and does not remedy the breach within 14 days of written notice. If the Company considers PAC Partners is unable or unwilling to perform fully and properly its obligations under this appointment for any reason other than gross negligence, wilful misconduct or fraud by PAC Partners (**Cause**), then the Company must provide notice in writing setting out reasons why the Company reasonably believes reason to terminate has arisen. The Company shall give PAC Partners an opportunity to rectify any issues and if PAC Partners fails to rectify such issues within 14 business days after receiving written notification, the Company may terminate the Capital Raising Mandate. The Capital Raising Mandate will continue to be in force until the capital raising is complete and or the Capital Raising Mandate is terminated. Otherwise the Capital Raising Mandate contains standard terms and conditions of an agreement of this nature.

Resolution 9 seeks Shareholder approval for the issue of the 4,000,000 Advisor Options.

Pursuant to the Capital Raising Mandate, the Company agreed to issue the Advisor Options in part consideration for services provided by PAC Partners. The proposed issue of the Advisor Options will be in addition to the payment by the Company of capital raising fees of 6% of funds received in connection with the placement in August 2022.

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Advisor Options. In addition, the issue of the Advisor Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Advisor Options at this point in time and the issue of the Advisor Options would likely be made at a later date when the Company has placement capacity to do so.

In accordance with the disclosure requirement of ASX Listing Rule 7.3, the Company advises as follows in respect of the Advisor Options:

- (c) **Maximum Size of Issue** – a total of 4,000,000 Advisor Options the subject of Resolution 9 are proposed to be issued to the Resolution 9 Allottees.
- (d) **Date of Issue** – subject to Shareholders approving Resolution 9, all 4,000,000 Advisor Options the subject of Resolution 9 will be issued to PAC Partners or its nominee(s) promptly after the close of the Meeting, and in any event prior to the expiry of 3 months after the date of the Meeting.

- (e) **Issue Price** - no cash consideration has been or will become payable to the Company as a result of the issue of any Advisor Options referred to in Paragraph 9. The Advisor Options the subject of Resolution 9 are proposed to be issued to the Resolution 9 Allottees in consideration for the provision of professional services by those Resolution 9 Allottees in connection with the issue of the Placement.
- (f) **Persons to whom the Advisor Options will be issued** – the Resolution 9 Allottees, as referred to above in this Paragraph 9.
- (g) **Terms of Advisor Options** – the main terms of the Advisor Options are (Schedule A sets out the full terms of the Advisor Options):
- (i) Term: expiring 28 April 2024;
 - (ii) Exercise Price per Advisor Option: A\$0.22, payable in full upon exercise;
 - (iii) Exercise ratio: one Share for each Advisor Option validly exercised; and
 - (iv) Vesting: the Advisor Options are fully vested upon being issued.
- (h) **Intended use of Funds Raised** – no funds will be raised as a result of the proposed issue of the Advisor Options.

10. RESOLUTION 10 – APPROVAL OF ISSUE OF OPTIONS

Resolution 10 seeks Shareholder approval for the Company to issue under the Company's ESOP (defined below) 250,000 Options to Michal Vasiliver (or her nominee), as part consideration for her VP QA/RA role with the Company.

As summarised on page 7, 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 shares it had on issue at the start of that period. The proposed issue of the Options the subject of Resolution 10 does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 10 is passed, the Company will be able to proceed with the issue of the Options. In addition, the issue of the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of the Options at this point in time and the issue of the Options would likely be made at a later date when the Company has placement capacity to do so.

In accordance with the disclosure requirement of ASX Listing Rule 7.3, the Company advises as follows in respect of the Options

- (a) **Maximum Size of Issue** – a total of 250,000 Options are proposed to be issued to Michal Vasiliver.
- (b) **Date of Issue** – subject to Shareholders approving Resolution 10, all 250,000 Options the subject of Resolution 10 will be issued promptly after the close of the Meeting, and in any event prior to the expiry of 3 months after the date of the Meeting.
- (c) **Issue Price** - no cash consideration has been or will become payable to the Company as a result of the issue of any Options referred to in Paragraph 10. The Options the subject of Resolution 10 are proposed to be issued to Michal Vasiliver in part consideration for her VP QA/RA role with the Company.
- (d) **Persons to whom the Options will be issued** – Michal Vasiliver, as referred to above in this Paragraph 10.
- (e) **Terms of Options** – the main terms of the Options are (Schedule C sets out the full terms of the Options):
- (i) Term: expiring 9 August 2027;
 - (ii) Exercise Price per Option: A\$0.15, payable in full upon exercise;
 - (iii) Exercise ratio: one Share for each Option validly exercised; and
 - (iv) Vesting: the Options are quarterly vesting over 3 years where at the end of each quarter 20,833 Options will vest.
- (f) **Intended use of Funds Raised** – no funds will be raised as a result of the proposed issue of the Options.

11. RESOLUTION 11 - ADOPTION OF EMPLOYEE SHARE OPTION PLAN (ESOP)

The Company first established an Employee Share and Option Plan (**ESOP**) in April 2019.

The objective of the ESOP is to attract, motivate and retain key employees and consultants and the Company considers that the adoption of the ESOP and the future issue of securities under the ESOP will provide selected employees and consultants with the opportunity to participate in the future growth of the Company, which will likely encourage them in carrying out their respective roles for the Company.

Further, the ESOP gives the Company the flexibility to retain its cash reserves during the current uncertain economic and financial environment.

Resolution 11 seeks Shareholder approval for the adoption of the ESOP, and for the issue of securities under the ESOP, in accordance with Listing Rule 7.2 (Exception 13(b)).

ASX Listing Rule 7.1 and 7.2 (Exception 13): ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12-month 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.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive plan if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of Equity Securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of Equity Securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 11 is passed, the Company will be able to issue securities under the ESOP to eligible participants over a period of 3 years. The issue of any securities to eligible participants under the ESOP (up to the maximum number of securities stated below) will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of securities under the ESOP to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 11 is not passed, the Company will be able to proceed with the issue of securities under the ESOP to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the issue of the securities.

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 11:

- (a) a summary of the terms and conditions of the ESOP is set out in Schedule D. In addition, a copy of the ESOP is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the ESOP can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.
- (b) The Company has issued 9,997,334 Options under the ESOP since the Company was admitted to the Official List of ASX in 12 December 2018.

Security Code	Expiry Date	Grant Date	Exercise Price	Number of Options
HMDESOP01	15 August 2024	15 August 2019	\$0.165	1,225,000
HMDESOP02	15 August 2024	15 August 2019	\$0.01	574,000
HMDESOP04	2 June 2025	2 June 2021	\$0.20	7,440,000
HMDESOP05	28 July 2027	2 August 2022	\$0.1358	850,000

- (c) The maximum number of Options proposed to be issued under the ESOP, following Shareholder approval, is 11,899,603 Options and will be in accordance with the terms and conditions set out in Schedule D. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.

12. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT CAPACITY

12.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity. If Shareholders approve this Resolution, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in below).

The effect of this Resolution will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

If Resolution 12 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 Resolution 12 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under 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.

12.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company has a market capitalisation of ~\$34,000,000. The Company is an Eligible Entity.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has only 1 class of quoted Equity Securities on issue, being 211,887,818 Shares (ASX Code: HMD).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of shares on issue at the commencement of the relevant period:
 - (A) plus the number of fully paid Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - (B) plus the number of fully paid Shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
 - (C) plus the number of fully paid Shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:

- (i) the agreement was entered into before the commencement of the relevant period; or
- (ii) the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid in the relevant period;
- (E) plus the number of fully paid Shares issued in the relevant period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E the number of equity securities issued or agreed to be issued under rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4.

12.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in (i) above, the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) the date that is 12 months after the date of the meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue. If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below. The table shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 and on the assumptions set out below the table.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	DILUTION			
	Issue Price (per Share)	\$0.08 50% decrease in Issue Price	\$0.16 Issue Price	\$0.32 100% increase in Issue Price
211,887,818 (Current Variable A)	Shares issued – 10% voting dilution	21,188,781 shares	21,188,781 shares	21,188,781 shares
	Funds raised	\$1,695,102	\$3,390,204	\$6,780,409
317,831,727 (50% increase in Variable A)	Shares issued – 10% voting dilution	31,783,172 shares	31,783,172 shares	31,783,172 shares
	Funds raised	\$2,542,653	\$5,085,307	\$10,170,615
423,775,636 (100% increase in Variable A)	Shares issued – 10% voting dilution	42,377,563 shares	42,377,563 shares	42,377,563 shares
	Funds raised	\$3,390,205	\$6,780,410	\$13,560,820

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are 211,887,818 Shares on issue as at the date of this Notice.
2. The issue price set out above is the closing price of Shares on ASX on Friday, 26 August 2022, being \$0.16.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 or 7.4.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares and it is assumed that no Options are exercised into Shares before the date of issue of the Shares.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to by reason of placements under the 10% Placement Capacity. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Shareholders should note that there is a risk that:

- (i) the market price for Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration. The Company intends to use such funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued research and operation of the Company's current assets and/or general working capital.

(e) Allocation policy under the 10% Placement Capacity

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company. The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the Control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of the Notice but may include existing Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 31 May 2021 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 12 October 2021, the Company has not issued any Equity Securities pursuant to the Previous Approval.

(g) **Compliance with ASX Listing Rules 7.1A.4**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4.

12.4 Voting Exclusion

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities under the 10% Placement Facility. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

13. RECOMMENDATIONS

The Directors believe that the above proposals are in the best interest of the Company and, save where otherwise stated, unanimously recommend that shareholders vote in favour of the Resolutions to be proposed at the Company's annual general meeting.

14. ENQUIRIES

Shareholders are required to contact the Company Secretary via email to jonathan@hera-med.com if they have any queries in respect of the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 12.1 of the Explanatory Statement.

Admission means admission of the Company to the official list of ASX.

AGM or Annual General Meeting or Meeting means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Auditor means the auditor of the Company.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or 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 dealing with the entity;
- (e) a company the member controls; or

- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means HeraMED Limited (ACN 626 295 314).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice Annual General of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report.

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

Security means a security issued or to be issued in the capital of the Company, including a Share or an Option.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the calculation in Section 12.2 of the Explanatory Statement.

Trading Day means a day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day and any other day that ASX may declare and publish is not a trading day.

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

SCHEDULE A - TERMS AND CONDITIONS OF ADVISORY OPTIONS

- a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- b) **Exercise Price:** Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.22 (**Exercise Price**).
- c) **Expiry Date:** Each Option will expire at 5:00 pm (AEST) on or before 28 April 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- e) **Notice of Exercise:** Subject to compliance with d) above, the Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.
- f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
- allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company. Quotation of Shares issued on exercise if admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options. The Options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant Options
- i) **Reconstruction of capital:** Subject to the Corporations Act and the ASX Listing Rules at the time of reconstruction, upon any sub-division or consolidation of the Shares or reduction of share capital, the number of Shares to be subscribed on any subsequent exercise of the Options will be increased or reduced in due proportion so as to maintain the same relative subscription rights for the Options and the Exercise Price will be adjusted accordingly.
- j) **Participation in new issues:** There are no voting rights, participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- l) **Not Quoted:** The Company will not apply for quotation of the Options on ASX.
- m) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE B - TERMS AND CONDITIONS OF AWARD OPTIONS

- a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- b) **Exercise Price:** Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.1358 (**Exercise Price**).
- c) **Expiry Date:** Each Option will expire at 5:00 pm (AEST) on or before 28 July 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) The Options will vest if any of the following vesting milestones are achieved before the Expiry Date:
- For a commercial contract executed between the Company and a Third Party as a direct result of Optionees efforts, of at least AU\$100,000 - 100,000 Options shall vest and becomes exercisable.
 - For a commercial contract executed between the Company and a Third Party as a direct result of Optionees efforts, of at least AU\$500,000 - 200,000 Options shall vest and becomes exercisable.
 - For a commercial contract executed between the Company and a Third Party as a direct result of Optionees efforts, of at least AU\$2,000,000 to the Company- 250,000 Options shall vest and becomes exercisable.
 - For a monetary grant of at least AU\$500,000 actually received by the Company from a Third Party governmental authority as a direct result of Optionees efforts - 200,000 Options shall vest and become exercisable.
- e) **Exercise Period:** Subject to meeting the vesting criteria in paragraph d) above the Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- f) **Notice of Exercise:** Subject to compliance with e) above, the Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.
- g) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- h) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
- allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- i) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company. Quotation of Shares issued on exercise if admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options. The Options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant Options
- j) **Reconstruction of capital:** Subject to the Corporations Act and the ASX Listing Rules at the time of reconstruction, upon any sub-division or consolidation of the Shares or reduction of share capital, the number of Shares to be subscribed on any subsequent exercise of the Options will be increased or reduced in due proportion so as to maintain the same relative subscription rights for the Options and the Exercise Price will be adjusted accordingly.
- k) **Participation in new issues:** There are no voting rights, participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- l) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- m) **Not Quoted:** The Company will not apply for quotation of the Options on ASX.
- n) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE C - TERMS AND CONDITIONS OF OPTIONS

- a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- b) **Exercise Price:** Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).
- c) **Expiry Date:** Each Option will expire at 5:00 pm (AEST) on or before 9 August 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) **Vesting:** Each Option shall vest over 3 years on a quarterly basis. Namely 6.25% of the Options shall vest and become exercisable at the lapse of each quarter of continuous engagement.
- e) **Exercise Period:** Subject to meeting the vesting criteria in paragraph d above, the Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- f) **Notice of Exercise:** Subject to compliance with e) above, the Options may be exercised during the Exercise Period by notice inwriting to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.
- g) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- h) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
- allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (g) (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- i) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company. Quotation of Shares issued on exercise if admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options. The Options will not give any right to participate in dividends until shares are issued pursuant to the exercise of the relevant Options.
- j) **Reconstruction of capital:** Subject to the Corporations Act and the ASX Listing Rules at the time of reconstruction, upon any sub-division or consolidation of the Shares or reduction of share capital, the number of Shares to be subscribed on any subsequent exercise of the Options will be increased or reduced in due proportion so as to maintain the same relative subscription rights for the Options and the Exercise Price will be adjusted accordingly.
- k) **Participation in new issues:** There are no voting rights, participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- l) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- m) **Not Quoted:** The Company will not apply for quotation of the Options on ASX.
- n) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

- **Eligibility**

The Board has discretion to determine which employees are eligible to participate in the Plan. The definition of employee under the rules of the Plan includes full time or part time executive, director, senior manager, employee and other party who are close business associates of the Company or any related body corporate of the Company.

- **Vesting Conditions**

The vesting of any equity securities issued under the Plan may be conditional on the satisfaction of performance and/or service conditions as determined by the Board and advised to the participant in the individual's offer documents.

- **Exercise of Equity Securities**

Vested equity securities issued under the Plan may not automatically trigger the exercise of the equity securities, but a participant will be entitled to exercise its equity securities in accordance with the terms contained in the invitation to that participant.

- **Price**

Equity securities issued under the Plan may be issued at no cost to the participants. Options may be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in the participant's offer.

- **Lapse/forfeiture**

Equity securities issued under the Plan will lapse or be forfeited on the earliest of:

- any expiry date applicable to the equity securities;
- any date which the Board determines that vesting conditions applicable to the equity securities are not met or cannot be met;
- the participant dealing in respect of the equity securities in contravention of the Plan; and
- the Board determining that a participant has committed an act of fraud, is ineligible to hold his or her relevant office under the relevant provisions of the Corporations Act, or is found to have acted in a manner that the Board considers to constitute gross misconduct.

- **Board may elect to settle in cash**

If the Board determines that it is not appropriate for tax, legal, regulatory or compliance reasons to issue or transfer Shares upon satisfaction of its obligations under the Plan, the Company may make a cash payment to the participant in accordance with the terms of the plan for equivalent value.

- **Waiving the restricted period**

The Board may waive or shorten the restriction period applicable to equity securities issued under the Plan, as contained in the offer to the participant.

- **Change of Control**

On the occurrence of a Change of Control (as defined in the rules of the Plan) of the Company, the Board will determine, in its sole and absolute discretion, the manner in which vested and unvested equity securities issued under the Plan shall be dealt with.

- **Cessation of employment**

All unvested equity securities issued under the Plan will lapse immediately on termination of employment of the relevant participant unless any Leaver's Policy applies or the Board determines otherwise depending on the circumstances.

- **No dealing or hedging**

Dealing restrictions may apply to equity securities issued under the Plan in accordance with the rules of the Plan and the Company's Securities Trading policy. Participants are prohibited from hedging or otherwise protecting the value of unvested equity securities issued under the Plan.

- **Rights attaching to Shares**

Shares issued under the Plan will rank equally for dividends and other entitlements and will be subject to any restrictions imposed under these rules and otherwise rank equally with the existing Shares on issue at the time of allotment.

- **Company may issue or acquire shares**

The Board may, in its discretion, either issue new Shares or acquire Shares already on issue, or a combination of both, to satisfy the Company's obligations under the Plan.

- **Adjustments**

Prior to the allocation of Shares to a participant upon vesting or exercise of equity securities issued under the Plan, the Board may make any adjustment it considers appropriate to the terms of equity securities in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction.

- **Limits on securities issued**

The number of shares that may be issued under the Plan will be set with regard to the limits prescribed under any applicable legislation, regulation, policy or other requirement of any duly empowered governmental agency with respect to employee share scheme offers made without a prospectus or other form of prescribed disclosure

- **Continued operation of the Plan**

The Plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the ASX Listing Rules.

- **Range of Employee Share Schemes:** The Plan enables the Company to offer its employees a range of different employee share scheme interests (each an **ESS**). These ESS interests or 'awards' include options, performance rights, service rights, deferred shares, exempt shares, cash rights and stock appreciation rights.

The type of ESS interest that may be offered by the Board, on behalf of the Company, to employees will be determined by a number of factors, including:

- the remuneration or incentive purpose of the award;
- the tax jurisdiction that the participating employee lives and/or works in;
- the laws governing equity incentives where the participating employee lives and/or works; and
- the logistics and compliance costs associated with offering equity incentives where the participating employee lives and/or works.

The provisions of the Plan are set out in Plan Rules and copy of those provisions is available to any Shareholder upon request from the Company, at no expense to the requesting Shareholder.

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by at **10.30am (Sydney Time) on Monday, 10 October 2022**, 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 VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

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

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

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>.

[illegible]

Resolutions		For	Against	Abstain	Resolutions		For	Against	Abstain
1.	NON-BINDING RESOLUTION ADOPTION OF REMUNERATION REPORT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7.	APPROVE ISSUE OF TRANCHE 2 PLACEMENT SHARES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	ELECTION OF DIRECTOR – DAVID HINTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8.	APPROVAL OF ISSUE OF OPTIONS – PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	ELECTION OF DIRECTOR – DR RON WEINBERGER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9.	APPROVAL OF ISSUE OF ADVISORY OPTIONS – PLACEMENT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	RATIFICATION OF PRIOR ISSUE OF OPTIONS – LR 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10.	APPROVAL OF ISSUE OF OPTIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	RATIFICATION OF ISSUE OF OPTIONS – LR 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11.	ADOPTION OF EMPLOYEE SHARE OPTION PLAN (ESOP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	RATIFY TRANCHE 1 PLACEMENT SHARES ISSUED UNDER LISTING RULE 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12.	SPECIAL RESOLUTION APPROVAL OF 10% PLACEMENT CAPACITY	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		
		Date (DD/MM/YY)
		<div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black; margin-right: 5px;"></div> <div style="font-size: 2em; vertical-align: middle;">/</div> <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black; margin-right: 5px;"></div> <div style="font-size: 2em; vertical-align: middle;">/</div> <div style="display: inline-block; width: 30px; height: 30px; border: 1px solid black;"></div>

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).