

MICRO-X

Notice of Extraordinary General Meeting & Explanatory Statement

Micro-X Limited ACN 153 273 735

Held at: https://us02web.zoom.us/webinar/register/WN_OLx7a17CRWKxikyLZJZa-Q with voting to be conducted at <https://meetnow.global/MA6ZUFU>

Held on: 29 May 2024

Commencing: 10:30am (Adelaide time)

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Letter from the Chair

Dear Shareholders,

We are pleased to invite you to the Extraordinary General Meeting of Micro-X Limited (**Company** or **Micro-X**) to be held on 29 May 2024.

The business to be considered at the Extraordinary General Meeting is provided in Part A of this Notice of Extraordinary General Meeting and an Explanatory Statement in relation to each of the proposed Resolutions is provided in Part D of this Notice of Extraordinary General Meeting.

As announced on 17 April 2024, the Company received firm commitments of \$4.0 million under an institutional placement (**Placement**) including \$0.1 million from Directors which is subject to Shareholder approval. At the same time, the Company announced its intention to undertake an offer under a share purchase plan (**SPP Offer**) to raise an additional \$1.0 million (with the ability to accept oversubscriptions).

The Placement has now been completed utilising available placement capacity. Participants in either the Placement or the SPP Offer (whose applications are successful) are also entitled to one free attaching option (**Attaching Options**) for every two new Shares subscribed for under the Placement or the SPP Offer, respectively. The offers of Attaching Options are subject to Shareholder approval.

A prospectus in relation to the SPP Offer and the offer of Attaching Options under the Placement was lodged with ASIC on 24 April 2024.

The resolutions being put to Shareholders at this Extraordinary General Meeting are to refresh the Company's placement capacity, to obtain approval for the issue of the Attaching Options and to allow the Company to issue securities under the Placement and SPP Offer to related parties.

The Extraordinary General Meeting will be held virtually on the online platform, Zoom webinar, at https://us02web.zoom.us/webinar/register/WN_OLx7a17CRWKxikyLZJZa-Q with voting to be conducted at <https://meetnow.global/MA6ZUFU>. Further information on how to do this is set out at Part B of this Notice of Extraordinary General Meeting and the online meeting user guide at www.computershare.com.au/onlinevotingguide and attached to this Notice of Extraordinary General Meeting. Shareholders will be able to hear and view the Extraordinary General Meeting on their own computer or device, vote on Resolutions and ask questions.

Even if you plan to attend online, you are encouraged to submit a directed proxy before the Extraordinary General Meeting so that your vote can still be counted if there is a technical difficulty.

Shareholders can vote by proxy by completing the enclosed Proxy Form and returning it in the envelope provided. Instructions on how to appoint a proxy are detailed on the Proxy Form. Proxies must be received no later than 1:00pm (Adelaide time) on 27 May 2024 to be valid for the Extraordinary General Meeting.

Please read the whole of this booklet carefully as it provides important information on the Extraordinary General Meeting, items of business and the Resolutions that you, as a Shareholder, are being asked to vote on.

Should you wish to discuss the matters in this Notice of Extraordinary General Meeting please do not hesitate to contact the Head of Corporate Communications, Ms Rebecca Puddy, on +61 8 7099 3966.

Dated: 30 April 2024

Yours sincerely



David Knox
Chair
Micro-X Limited

Part A – Notice of Extraordinary General Meeting

Time and place

Notice is hereby given that the Extraordinary General Meeting of the Company will be held as follows:

Held at: https://us02web.zoom.us/webinar/register/WN_OLx7a17CRWKxikyLZJZa-Q with voting to be conducted at <https://meetnow.global/MA6ZUFU>.

Commencing at: 10:30am (Adelaide time) on 29 May 2024.

Explanatory Statement

The Explanatory Statement which accompanies and forms part of this Notice of Extraordinary General Meeting describes the matters to be considered at the Extraordinary General Meeting.

Defined terms

Defined terms used in this Notice of Extraordinary General Meeting have the meanings given to them in the Glossary accompanying this Notice of Extraordinary General Meeting at Part C.

ORDINARY BUSINESS

1. Agenda Item 1 - Resolutions

Resolution 1: Ratification of the issue of the Placement Shares

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 41,052,631 Shares under the Placement, on the terms and conditions set out in the Explanatory Statement."

Voting exclusion:

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any Placement Participants, and any associate of the Placement Participants. However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Resolution 2: Approval of the issue of the Placement Options

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 20,526,316 Options and, upon exercise of those Options, the issue of 20,526,316 Shares, to the Placement Participants, on the terms and conditions set out in the Explanatory Statement."

Voting exclusion:

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 ordinary securities) or an associate of that person (or those persons).

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

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

Resolution 3: Approval of the issue of the SPP Options

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 12,789,476 Options pursuant to the SPP Offer and, upon exercise of those Options, the issue of 12,789,476 Shares, on the terms and conditions set out in the Explanatory Statement."

Voting exclusion:

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 ordinary securities) or an associate of that person (or those persons).

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

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

Resolution 4: Approval of the issue of SPP Shares under the SPP Offer to Mr David Knox (or his nominee)

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

"That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 210,526 Shares to Mr David Knox (or his nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting."

Voting exclusion:

For personal use only

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr David Knox or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 5: Approval of the issue of SPP Options under the SPP Offer to Mr David Knox (or his nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, and conditional on Resolution 4 being approved in accordance with its terms, Shareholders approve the issue of up to 105,263 Options and, upon exercise of those Options, the issue of 105,263 Shares, to Mr David Knox (or his nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting.”

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr David Knox or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 6: Approval of the issue of SPP Shares under the SPP Offer to Mr Alexander Gosling (or his nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 263,157 Shares to Mr Alexander Gosling (or his nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting.”

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr Alexander Gosling or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and

- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 7: Approval of the issue of SPP Options under the SPP Offer to Mr Alexander Gosling (or his nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, and conditional on Resolution 6 being approved in accordance with its terms, Shareholders approve the issue of up to 131,578 Options and, upon exercise of those Options, the issue of 131,578 Shares, to Mr Alexander Gosling (or his nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting.”

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr Alexander Gosling or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 8: Approval of the issue of SPP Shares under the SPP Offer to Mr James McDowell (or his nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 157,894 Shares to Mr James McDowell (or his nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting.”

For personal use only

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr James McDowell or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 9: Approval of the issue of SPP Options under the SPP Offer to Mr James McDowell (or his nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, and conditional on Resolution 8 being approved in accordance with its terms, Shareholders approve the issue of up to 78,947 Options and, upon exercise of those Options, the issue of 78,947 Shares, to Mr James McDowell (or his nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting.”

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr James McDowell or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 10: Approval of the issue of SPP Shares under the SPP Offer to Ms Ilona Meyer (or her nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 105,263 Shares to Ms Ilona Meyer (or her nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Extraordinary General Meeting.”

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Ms Ilona Meyer or any of her associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and

- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 11: Approval of the issue of SPP Options under the SPP Offer to Ms Ilona Meyer (or her nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, and conditional on Resolution 10 being approved in accordance with its terms, Shareholders approve the issue of up to 52,631 Options and, upon exercise of those Options, the issue of 52,631 Shares, to Ms Ilona Meyer (or her nominee), under the SPP Offer and on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Extraordinary General Meeting.”

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Ms Ilona Meyer or any of her associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 12: Approval of the issue of Placement Shares under the Placement to Mr Patrick O'Brien (or his nominee)

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

“That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,052,632 Shares to Mr Patrick O'Brien (or his nominee), under the Placement and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting.”

For personal use only

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr Patrick O'Brien or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 13: Approval of the issue of Placement Options under the Placement to Mr Patrick O'Brien (or his nominee)

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

"That, pursuant to and in accordance with ASX Listing Rule 10.11 and for all other purposes, and conditional on Resolution 12 being approved in accordance with its terms, Shareholders approve the issue of up to 526,316 Options and, upon exercise of those Options, the issue of 526,316 Shares, to Mr Patrick O'Brien (or his nominee), under the Placement and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Extraordinary General Meeting."

Voting exclusion:

The Company will disregard votes cast in favour in respect of the Resolution by or on behalf of Mr Patrick O'Brien or any of his associates and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company). However, the Company need not disregard a vote cast in favour of the Resolution by:

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

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

Voting prohibition statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- the proxy is either:
 - a member of the Key Management Personnel; or
 - a Closely Related Party of such a member; and
- the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- the proxy is the chair; and
- the appointment expressly authorises the chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

For personal use only

Part B – How to vote

If you are entitled to vote at the Extraordinary General Meeting, you may vote by attending the meeting virtually or by attorney, proxy or, in the case of corporate shareholders, corporate representative.

1. How to vote

You may vote in one of two ways:

- attending the meeting and voting virtually (if a corporate shareholder, by representative); and
- voting by proxy (see below on how to vote by proxy).

2. Your vote is important

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

3. Corporations

To vote at the Extraordinary General Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Corporations Act. Evidence of the appointment of a corporate representative must be lodged with the Company before the Extraordinary General Meeting.

Alternatively, a corporation may appoint a proxy.

4. Virtual participation

Shareholders can participate in the Extraordinary General Meeting via the online platform, Zoom webinar, at https://us02web.zoom.us/webinar/register/WN_OLx7a17CRWKxikyLZJZa-Q, with voting to be conducted at <https://meetnow.global/MA6ZUFU>.

Shareholders who wish to participate in the Extraordinary General Meeting online may do so by registering via the above link. After registering, you will receive a confirmation email containing information about joining the webinar.

If you choose to participate in the meeting this way, you will be able to view the Extraordinary General Meeting live, lodge a direct vote in real time and ask questions online.

Shareholders will also have the ability to submit questions prior to the Extraordinary General Meeting by emailing their questions to egmquestion@micro-x.com at least 48 hours before the Extraordinary General Meeting.

To vote online during the meeting you will need to visit <https://meetnow.global/MA6ZUFU> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible. For further instructions on how to participate online please view the online meeting user guide at www.computershare.com.au/onlinevotingguide and attached to this Notice of Extraordinary General Meeting (**User Guide**).

Shareholders participating in the Extraordinary General Meeting using the online platform will be able to cast direct votes between the commencement of the Extraordinary General Meeting at 10:30am (Adelaide time) on 29 May 2024 and the closure of voting as announced by the Chair during the Extraordinary General Meeting.

Shareholders who elect to participate at the Extraordinary General Meeting using the online platform will:

- be counted as being present at the meeting for any purpose, including the purpose of determining whether there is a quorum;
- be able to ask questions or make comments; and
- be able to vote on resolutions they are entitled to vote on.

More information regarding online participation at the Extraordinary General Meeting (including how to vote and ask questions online during the Extraordinary General Meeting) is available in the User Guide. The User Guide is attached to this Notice of Extraordinary General Meeting and will be lodged with the ASX and available on our website.

5. 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; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder'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:

- 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 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 (i.e. as directed); and
- if the proxy has two 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.

6. Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Extraordinary General Meeting are those that are registered Shareholders at 7:00pm (Adelaide time) on 27 May 2024. If you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.

7. Voting procedure

Every question arising at this Extraordinary General Meeting will be decided by a poll. Every person entitled to vote who is present virtually, or by proxy, representative or attorney will have one vote for each voting Share held by that person.

8. Enquiries

For all enquiries, please contact the Head of Corporate Communications, Ms Rebecca Puddy, on +61 8 7099 3966.

For personal use only

Part C – Glossary

\$	Australian dollars.
15% Placement Capacity	ASX Listing Rule 7.1 limits, subject to certain exceptions, an entity from issuing or agreeing to issue more Equity Securities in a 12 month period to that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of the 12 month period.
Adelaide time	Australian Central Standard Time in Adelaide, South Australia.
ASX	The Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules or Listing Rules	The listing rules of the ASX.
Board	The board of directors of the Company.
Chair	The chair of the Company, Mr David Knox, who will also act as the chair of the Extraordinary General Meeting.
Closely Related Party	Has the meaning given to that term in section 9 of the Corporations Act.
Company	Micro-X Limited ACN 153 273 735.
Constitution	The constitution of the Company.
Corporations Act	The <i>Corporations Act 2001</i> (Cth) for the time being in force together with the regulations of that act.
Director Securities	Has the meaning given to that term in section 4.1 of the Explanatory Statement.
Directors	The directors of the Company at the date of the Extraordinary General Meeting.
Eligible Shareholders	Shareholders that satisfy all of the below: <ul style="list-style-type: none"> • who were registered as a holder of Shares as at 7:00pm (AEST) on 16 April 2024; • who were recorded on the register with an Australian or New Zealand address; • who are not resident or located in the United States, and not acting for the account or benefit of persons in the United States; and • who are not resident or located in any other jurisdiction in which an offer of SPP Securities would be unlawful.
Equity Securities	Includes shares, unit, options, convertible securities, rights to shares, units or options and other securities ASX classifies as equity securities.
Explanatory Statement	The explanatory statement accompanying the Notice of Extraordinary General Meeting and contained in Part D of this booklet.
Extraordinary General Meeting	The Extraordinary General Meeting of Shareholders to be held on 29 May 2024.
Glossary	The glossary contained in Part C of this booklet.
Key Management Personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director of the Company (executive and non-executive). The Key Management Personnel at 30 June 2023 are listed in the Remuneration Report and include: <ul style="list-style-type: none"> • David Knox, Non-Executive Chair • Alexander Gosling, Non-Executive Director • Patrick O'Brien, Non-Executive Director

	<ul style="list-style-type: none"> • James McDowell, Non-Executive Director • Ilona Meyer, Non-Executive Director • Andrew Hartmann, Non-Executive Director • Peter Rowland, Non-Executive Director • Kingsley Hall, Chief Executive Officer • Anthony Skeats, Chief Operating Officer • Brian Gonzales, CEO Americas & Chief Scientific Officer
Notice of Extraordinary General Meeting	The notice of the Extraordinary General Meeting accompanying the Explanatory Statement for the Extraordinary General Meeting and contained in Part A of this booklet.
Option	An option to acquire a Share.
Placement	Has the meaning given to that term in section 1.1 of the Explanatory Statement.
Placement Options	Has the meaning given to that term in section 1.1 of the Explanatory Statement.
Placement Options Offer	Has the meaning given to that term in section 1.1 of the Explanatory Statement.
Placement Participants	Has the meaning given to that term in section 1.1 of the Explanatory Statement.
Placement Securities	Placement Shares and/or Placement Options.
Placement Shares	41,052,631 Shares issued to professional and sophisticated investors on 22 April 2024.
Prospectus	The transaction specific prospectus to be lodged by the Company with ASIC on 24 April 2024.
Proxy Form	The proxy form accompanying this booklet.
Resolution(s)	The resolution(s) contained in the Notice of Extraordinary General Meeting.
Shareholders	The holders of Shares and Shareholder means any one of them.
Shares	Fully paid ordinary shares on issue in the share capital of the Company and Share means any one of them.
SPP Offer	Has the meaning given to that term in section 1.2 of the Explanatory Statement.
SPP Options	Has the meaning given to that term in section 1.2 of the Explanatory Statement.
SPP Securities	SPP Shares and/or SPP Options.
SPP Shares	Has the meaning given to that term in section 1.2 of the Explanatory Statement.
Varex	Varex Imaging Corporation.
VWAP	Volume weighted average price.

For personal use only

Part D – Explanatory Statement

This Explanatory Statement forms part of the Notice of Extraordinary General Meeting convening the Extraordinary General Meeting of Shareholders of the Company to be held online at https://us02web.zoom.us/webinar/register/WN_OLx7a17CRWKxikyLZJZa-Q, with voting to be conducted at <https://meetnow.global/MA6ZUFU> commencing at 10:30am (Adelaide time) on 29 May 2024.

This Explanatory Statement is to be read in conjunction with the Notice of Extraordinary General Meeting.

Purpose

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

The Directors recommend Shareholders read the Notice of Extraordinary General Meeting and this Explanatory Statement in full before making any decisions relating to the Resolutions contained in the Notice of Extraordinary General Meeting.

Defined terms

Defined terms used in this Explanatory Statement have the meanings given to them in the Glossary accompanying this Explanatory Statement at Part C.

Further information

If you have any queries in respect to any of the matters set out in this booklet, please contact the Head of Corporate Communications, Ms Rebecca Puddy, on +61 8 7099 3966.

1. Background to the Resolutions

1.1 Placement

As announced to ASX on 17 April 2024, the Company conducted a placement of new Shares to raise approximately \$4.0 million (before costs) at an issue price of \$0.095 per Share together with one free attaching new Option for every two Placement Shares issued, exercisable at \$0.135 per new Option and expiring on 30 May 2026 (**Placement Options**) (**Placement**).

The Placement is comprised of 42,105,263 Shares (**Placement Shares**), 41,052,631 Shares which were issued to professional and sophisticated investors on 22 April 2024 under the Company's 15% Placement Capacity (**Placement Participants**), and 21,052,632 Placement Options in aggregate, which will be issued to Placement Participants upon receiving Shareholder approval under Resolutions 2, 12 and 13.

Director Mr Patrick O'Brien (and/or his nominee(s)) proposes to participate in the Placement in the amount of \$0.1 million, subject to Shareholder approval, being sought under Resolutions 12 and 13.

Pursuant to the Prospectus lodged with ASIC on 24 April 2024, the Company is offering 21,052,632 Placement Options to the Placement Participants, on the basis of one free attaching Placement Option for every two Placement Shares issued (**Placement Options Offer**).

Only parties that have been issued Placement Shares may apply for Placement Options under the Placement Options Offer.

The Placement Options offered under the Placement Options Offer will (if Shareholder approval is obtained and they are issued) be issued on the terms and conditions detailed in Schedule 1. If

the Placement Options are exercised, the Shares to be issued upon such exercise will be of the same class and will, from their time of issue, rank equally in all respects with the Company's existing Shares on issue.

No funds will be raised as a result of the issue of Placement Options as they are offered on a free attaching basis to the Placement Shares.

The offer of Placement Options is being made subject to Shareholders approving the issue of Placement Options for the purposes of Listing Rule 7.1, which approval will be sought under Resolution 2.

The Company is also seeking Shareholder approval to permit director Mr Patrick O'Brien (and/or his nominee(s)) to participate in the Placement and the Placement Options Offer, up to 1,052,632 Placement Shares and 526,316 Placement Options, under Resolutions 12 and 13.

Further details of the Placement are contained in the Company's announcement to ASX on 17 April 2024.

1.2 SPP Offer

As announced to ASX on 17 April 2024, the Company will also offer Eligible Shareholders the opportunity to apply, pursuant to a share purchase plan, for:

- (a) up to \$30,000 worth of Shares each, at an issue price of \$0.095 per Share (the same price as the price of the Placement Shares) to raise approximately \$1 million (before costs) via the issue of approximately 10,526,316 Shares (**SPP Shares**) (subject to oversubscriptions), pursuant to the Company's 15% Placement Capacity; and
- (b) one free attaching new Option for every two SPP Shares issued under the SPP Offer, being approximately 5,263,158 new Options (**SPP Options**).

If demand from Eligible Shareholders is greater than the targeted \$1 million, the Company may accept oversubscriptions of up to \$1.5 million, resulting in an offer of \$2.5 million in aggregate under the share purchase plan (**SPP Offer**). If the maximum oversubscription under the SPP Offer is raised, 26,315,789 Shares and 13,157,893 SPP Options will be issued under the SPP Offer (including to related parties).

The Company is making the SPP Offer pursuant to the Prospectus lodged with ASIC on 24 April 2024.

Eligible Shareholders may apply for SPP Securities under the SPP Offer, but are not required to do so.

SPP Shares issued under the SPP Offer will, from their time of issue, rank equally in all respects with the Company's existing Shares.

The SPP Options offered under the SPP Offer will (if Shareholder approval is obtained and they are issued) be issued on the terms and conditions detailed in Schedule 1. If the SPP Options are exercised, the Shares to be issued upon such exercise will be of the same class and will, from their time of issue, rank equally in all respects with the Company's existing Shares on issue. No funds will be raised as a result of the issue of SPP Options under the SPP Offer as they are offered on a free attaching basis to the SPP Shares.

The offer of SPP Options is being made subject to Shareholders approving the issue of SPP Options pursuant to the SPP Offer for the purposes of Listing Rule 7.1, which is being sought under Resolution 3.

The Company is also seeking Shareholder approval to permit the following related parties of the Company to participate in the SPP Offer:

- (a) Mr David Knox (and/or his nominee(s)), up to 210,526 SPP Shares and up to 105,263 SPP Options (Resolutions 4 and 5);
- (b) Dr Alexander Gosling (and/or his nominee(s)), up to 263,157 SPP Shares and up to 131,578 SPP Options (Resolutions 6 and 7); and
- (c) Mr James McDowell (and/or his nominee(s)), up to 157,894 SPP Shares and up to 78,947 SPP Options (Resolutions 8 and 9);
- (d) Ms Ilona Meyer (and/or her nominee(s)), up to 105,263 SPP Shares and up to 52,631 SPP Options (Resolutions 10 and 11).

The SPP Offer is not conditional upon separate Shareholder approval being received for the above Directors to participate in the SPP Offer.

It is not proposed for any other related party of the Company to participate in the SPP Offer (noting that Listing Rule 10.12, exception 4 (that would otherwise permit the SPP Shares to be issued to related parties under a share purchase plan without Shareholder approval) is not satisfied in this instance, as the issue price of the SPP Shares does not satisfy the requirement of being at least 80% of the volume weighted average market price for securities in that class, calculated over the relevant period set out in Listing Rule 10.12, exception 4).

Further details of the Placement and SPP Offer are contained in the Company's announcement to ASX on 17 April 2024 and the Prospectus lodged with ASIC on 24 April 2024.

1.3 Use of funds

The Company intends to apply the proceeds of the SPP Offer and Placement towards commercialising Argus in global security and defence markets, execution of strategic partnerships, advancing the prototype Head CT, working capital and satisfying the costs of the SPP Offer and Placement.

Further details of the use of funds are contained in the Company's announcement to ASX on 17 April 2024 and the Prospectus lodged with ASIC on 24 April 2024.

2. Resolution 1 – Ratification of the issue of the Placement Shares

2.1 Purpose of Resolution

Resolution 1 seeks Shareholder ratification of the issue of the Placement Shares for the purpose of satisfying ASX Listing Rule 7.4.

Resolution 1 is proposed as an ordinary resolution.

2.2 Overview of regulatory approval requirements

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 (**15% Placement Capacity**) without Shareholder approval.

The Placement Shares were issued without Shareholder approval under the Company's available capacity under ASX Listing Rule 7.1.

ASX Listing Rule 7.4 provides that an issue of, or agreement to issue, securities made without approval under ASX Listing Rule 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if the issue or agreement did not breach ASX Listing Rule 7.1 and Shareholders subsequently approve it.

Approval under ASX Listing Rule 7.4 is being sought so that the issue of the Placement Shares, once ratified pursuant to Resolution 1, does not use up the Company's 15% Placement Capacity.

If Resolution 1 is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue over any 12 month period without the approval of Shareholders.

If Resolution 1 is not passed, the issue of the Placement Shares will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue over any 12 month period without the approval of Shareholders.

1.2 Specific information

ASX Listing Rule 7.5 requires certain information to accompany a Notice of Extraordinary General Meeting in relation to approval sought under ASX Listing Rule 7.4. This information is set out below:

ASX Listing Rule 7.5 requirement	Information
Names of the allottees or basis on which they were identified or selected:	Approximately \$3.675 million of the Placement Shares was offered to investors in Australia who qualified as professional or sophisticated investors under the requirements of the Corporations Act and investors in select jurisdictions outside of Australia in accordance with applicable laws. A concurrent placement for approximately A\$0.325 million was made to Varex. The Placement was jointly managed by Morgans Financial Limited and Hawkesbury Partners Pty Limited.
Number and class of securities issued or agreed to be issued:	41,052,631 Shares were issued on 22 April 2024.
The date on which the securities were or will be issued:	See above.
The issue price of the securities:	\$0.095 per Share.
The purpose of the issue, including the use or intended use of funds raised:	Refer to section 1.3 of the Explanatory Statement.
If the securities will be issued under an agreement, summary of any other material terms of the agreement:	No other material terms.
Voting exclusion statement:	A voting exclusion statement in respect of Resolution 1 is contained in the Notice of Extraordinary General Meeting.

1.3 Directors' recommendations and interests

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

Each Director who is also a Shareholder and who is not otherwise restricted from voting intends to vote in favour of Resolution 1.

The Chair of the Extraordinary General Meeting intends to vote all available undirected proxies in favour of Resolution 1.

3. Resolutions 2 and 3 – Approval of the issue of the Placement Options and the SPP Options

3.1 Purpose of resolutions

Resolutions 2 and 3 seek Shareholder approval for the proposed issue of the Placement Options, and the SPP Options, under and for the purposes of ASX Listing Rule 7.1.

Resolutions 2 and 3 are proposed as ordinary resolutions.

3.2 Overview of regulatory approval requirements

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 (**15% Placement Capacity**) without Shareholder approval.

Neither the issue of the Placement Options nor the issue of the SPP Options falls within any of the exceptions in ASX Listing Rule 7.2. Given the Company has or will utilise its 15% Placement Capacity for the issue of the Placement Shares and the SPP Shares, the issue of the Placement Options and the issue of the SPP Options would exceed the Company's 15% Placement Capacity. The issue of the Placement Options and the issue of the SPP Options therefore requires the approval of Shareholders under Listing Rule 7.1.

If each of Resolutions 2 and 3 is passed:

- (a) the Company will be able to proceed with the issue of Placement Options to Placement Participants who apply for Placement Options under the Prospectus, and the issue of SPP Options to Eligible Shareholders who apply for SPP Options under the Prospectus; and
- (a) the Placement Options and the SPP Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If each of Resolutions 2 and 3 is not passed, and the Company does not have available capacity under ASX Listing Rule 7.1, the Company will not be able to proceed with the issue of Placement Options to Placement Participants who apply for Placement Options under the Prospectus, and the issue of SPP Options to Eligible Shareholders who apply for SPP Options under the Prospectus.

3.3 Specific information

ASX Listing Rule 7.3 requires certain information to accompany a Notice of Extraordinary General Meeting in relation to approval sought under ASX Listing Rule 7.1. This information is set out below:

ASX Listing Rule 7.3 requirement	Approval to issue Placement Options (Resolution 2)	Approval to issue SPP Options (Resolution 3)
Names of the allottees or basis on which they will be identified or selected:	The Placement Options will be offered to Placement Participants – refer to section 1.1 of the Explanatory Statement for further information on Placement Participants.	The SPP Options will be issued to Eligible Shareholders who have elected to participate in the SPP Offer and have applied for SPP Options under the Prospectus.

ASX Listing Rule 7.3 requirement	Approval to issue Placement Options (Resolution 2)	Approval to issue SPP Options (Resolution 3)
Number and class of securities to be issued:	Up to 20,526,316 new Options.	Up to 12,789,476 new Options.
Material terms of the securities:	The Options are exercisable at \$0.135 each and expire on 30 May 2026. The terms and conditions of the Options are set out in Schedule 1.	
The issue date:	The Options will be issued on or around 30 May 2024 and in any event, no later than 3 months after the date of this meeting.	
Price:	The Options will be issued at a nil issue price as the Options are free attaching on the basis of one Option for every two Shares subscribed for under the Placement and the SPP Offer.	
The purpose of the issue, including intended use of funds raised:	No funds will be raised from the issue of the Options.	
Voting exclusion statement:	A voting exclusion statement in respect of Resolutions 2 and 3 is contained in the Notice of Extraordinary General Meeting.	

3.4 Directors' recommendations and interests

The Directors unanimously recommend that Shareholders vote in favour of Resolutions 2 and 3.

Each Director who is also a Shareholder and who is not otherwise restricted from voting intends to vote in favour of Resolutions 2 and 3.

The Chair of the Extraordinary General Meeting intends to vote all available undirected proxies in favour of Resolutions 2 and 3.

4. Resolutions 4 to 13 – Approval of the issue of Shares and Options to Directors

4.1 Purpose of resolutions

The Company is seeking Shareholder approval under Listing Rule 10.11 to permit the following related parties of the Company to participate in the SPP Offer:

- (a) Mr David Knox (and/or his nominee(s)), up to 210,526 SPP Shares and up to 105,263 SPP Options – Resolutions 4 and 5;
- (b) Dr Alexander Gosling (and/or his nominee(s)), up to 263,157 SPP Shares and up to 131,578 SPP Options – Resolutions 6 and 7; and
- (c) Mr James McDowell (and/or his nominee(s)), up to 157,894 SPP Shares and up to 78,947 SPP Options – Resolutions 8 and 9;
- (d) Ms Ilona Meyer (and/or her nominee(s)), up to 105,263 SPP Shares and up to 52,631 SPP Options – Resolutions 10 and 11.

The Company is also seeking Shareholder approval under Listing Rule 10.11 to permit director Mr Patrick O'Brien (and/or his nominee(s)) to participate in the Placement and the Placement Options Offer, up to 1,052,632 Placement Shares and 526,316 Placement Options, under Resolutions 12 and 13.

The above securities will be referred to as the **Director Securities**.

Resolutions 4 to 13 are proposed as ordinary resolutions. Each resolution is a separate resolution.

4.2 Overview of regulatory approval requirements

(a) *ASX Listing Rules requirements – ASX Listing Rule 10.11*

ASX Listing Rule 10.11 requires shareholder approval to be obtained where a company issues, or agrees to issue, securities to a related party of the company, an associate of that related party or other persons caught by ASX Listing Rule 10.11. A related party of the company includes a director of that company.

As such, Shareholder approval is sought under ASX Listing Rule 10.11 for the issue of the Director Securities to certain Directors of the Company.

ASX Listing Rule 7.2 (Exception 14) provides that, if an issue of securities is approved for the purposes of ASX Listing Rule 10.11, ASX Listing Rule 7.1 does not apply. Accordingly, the Company is not required to seek approval of the issue of the Director Securities under ASX Listing Rule 7.1.

If Resolutions 4 to 13 are passed and Mr David Knox, Dr Alexander Gosling, Mr James McDowell, Ms Ilona Meyer and Mr Patrick O'Brien apply for the Director Securities under the Placement or SPP Offer (as applicable), the Company will be able to proceed with the issue of the Director Securities and the Company's cash reserves will increase by approximately \$170,0000 (before costs).

The impact of passing Resolutions 4 to 13 on Mr David Knox, Dr Alexander Gosling, Mr James McDowell, Ms Ilona Meyer and Mr Patrick O'Brien's voting power in the Company, assuming they are issued the Director Securities, and assuming the issue of the Shares and Options under the Placement and the SPP Offer (assuming \$5 million is raised) as referred to above, is set out in the following table.

Director	Number of Shares	Number of Options	Number of Performance Rights	Percentage voting power in the Company on an undiluted basis	Percentage voting power in the Company on a fully diluted basis
Mr David Knox	1,198,601	105,263	92,593	0.21%	0.22%
Mr Alexander Gosling	795,308	131,578	60,186	0.14%	0.16%
Mr James McDowell	880,180	78,947	60,186	0.15%	0.16%
Ms Ilona Meyer	210,818	52,631	127,877	0.04%	0.06%

For personal use only

Mr Patrick O'Brien	8,859,020	526,316	60,186	1.55%	1.49%
Mr Andrew Hartmann	0	0	0	0.00%	0.00%

If any of Resolutions 4 to 13 are not passed, the Company will not be able to proceed with the issue of the Director Securities to the relevant Director who is the subject of that Resolution under Listing Rule 10.11.

If approval is given for the grant of the Director Securities under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1.

(b) Corporations Act requirements – Chapter 2E

Chapter 2E of the Corporations Act requires that for a public company to give a financial benefit to a related party of the public company, the public company must:

- (i) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (ii) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Shares constitutes giving a financial benefit and each of Mr David Knox, Dr Alexander Gosling, Mr James McDowell, Ms Ilona Meyer and Mr Patrick O'Brien is a related party of the Company as he or she is a Director of the Company.

Shareholder approval is not being sought for the purposes of section 208 of the Corporations Act on the basis that the Directors (other than Mr David Knox in respect of Resolution 4 as he has a material personal interest in Resolution 4, Dr Alexander Gosling in respect of Resolution 5 as he has a material personal interest in Resolution 5, Mr James McDowell in respect of Resolution 6 as he has a material personal interest in Resolution 6, Ms Ilona Meyer in respect of Resolution 7 as she has a material personal interest in Resolution 7 and Mr Patrick O'Brien in respect of Resolution 8 as he has a material personal interest in Resolution 8), consider that the exception in section 210 of the Corporations Act applies. Section 210 of the Corporations Act provides that Shareholder approval is not required for the purposes of section 208 of the Corporations Act in circumstances where the Company and the related party are dealing at arm's length. The Director Securities being issued to each of Mr David Knox, Dr Alexander Gosling, Mr James McDowell, Ms Ilona Meyer and Mr Patrick O'Brien will be issued on the same terms as non-related Placement and SPP Offer participants (as applicable) and as such, the giving of the financial benefit to each of Mr David Knox, Dr Alexander Gosling, Mr James McDowell, Ms Ilona Meyer and Mr Patrick O'Brien will be on arm's length terms.

4.3 Specific information

ASX Listing Rule 10.13 requires certain information to accompany a Notice of Extraordinary General Meeting in relation to approval sought under ASX Listing Rule 10.11. This information is set out below:

For personal use only

ASX Listing Rule 10.13 requirement	Information				
	Resolutions 4 and 5	Resolutions 6 and 7	Resolutions 8 and 9	Resolutions 10 and 11	Resolutions 12 and 13
Name of the person:	Mr David Knox.	Dr Alexander Gosling.	Mr James McDowell	Ms Ilona Meyer.	Mr Patrick O'Brien
Category in ASX Listing Rules 10.11.1 – 10.11.5 the person falls into:	Each person is a related party of the Company as he or she is a Director.				
Number and class of securities proposed to be issued to the person:	Up to 210,526 SPP Shares and up to 105,263 SPP Options	Up to 263,157 SPP Shares and up to 131,578 SPP Options	Up to 157,894 SPP Shares and up to 78,947 SPP Options	Up to 105,263 SPP Shares and up to 52,631 SPP Options	Up to 1,052,632 Placement Shares and 526,316 Placement Options
Material terms of the securities:	<p>The Placement Shares and SPP Shares will, from their time of issue, rank equally in all respects with the Company's existing Shares.</p> <p>The Placement Options and SPP Options are exercisable at \$0.135 each and expire on 30 May 2026. The terms and conditions of the Options are set out in Schedule 1.</p> <p>The Shares issued on exercise of the Options will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary shares on issue.</p>				
The date or dates by which the Company will issue the securities:	The Company will issue the Director Securities no later than 1 month after the date of this meeting.				
The price or other consideration the Company will receive for the issue:	The Shares will have an issue price of \$0.095 per Share. The Options will be issued at a nil issue price as the Options are free attaching on the basis of one Option for every two Shares subscribed for under the Placement and the SPP Offer.				
The purpose of the issue:	Refer to section 1.3 of the Explanatory Statement.				
Voting exclusion statement:	A voting exclusion statement in respect of each of Resolutions 4 to 8 is contained in the Notice of Extraordinary General Meeting.				

4.4 Directors' recommendations and interests

Other than as expressly stated below, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 4 to 13.

Mr David Knox has an interest in the outcome of Resolutions 4 and 5 so abstains from providing a recommendation on Resolutions 4 and 5.

Dr Alexander Gosling has an interest in the outcome of Resolutions 6 and 7 so abstains from providing a recommendation on Resolutions 6 and 7.

Mr James McDowell has an interest in the outcome of Resolutions 8 and 9 so abstains from providing a recommendation on Resolutions 8 and 9.

Ms Ilona Meyer has an interest in the outcome of Resolutions 10 and 11 so abstains from providing a recommendation on Resolutions 10 and 11.

Mr Patrick O'Brien has an interest in the outcome of Resolutions 12 and 13 so abstains from providing a recommendation on Resolutions 12 and 13.

Each Director who is also a Shareholder and who is not otherwise restricted from voting intends to vote in favour of Resolutions 4 to 13.

The Chair of the Extraordinary General Meeting intends to vote undirected proxies in favour of Resolutions 4 to 13.

For personal use only

Schedule 1

Options Terms

(a) Entitlement

Each Option entitles the holder of the Option (**Holder**) to subscribe for one (1) fully paid ordinary share in the capital of the Company (**Share**) upon exercise of the Option.

(b) Exercise Price and Expiry Date

Exercise Price per Option	Expiry Date
\$0.135	30 May 2026

(c) Exercise Period

Each Option is exercisable at any time prior to the Expiry Date. After this time, any unexercised Options will automatically lapse.

(d) Notice of Exercise

The Options may be exercised by notice in writing to the Company (in a form acceptable to the Company), (**Option Exercise Form**) and payment to the Company of the applicable Exercise Price for each Option being exercised. Any Option Exercise Form for an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(e) Minimum Exercise Price

Options must be exercised in multiples of twenty thousand (20,000) unless fewer than twenty thousand (20,000) Options are held by a Holder, in which case the Holder must exercise their Options in full.

(f) Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then Shares of the Company and are free of all encumbrances, liens and third party interests. Upon issue of the Shares, the Holder agrees to become a member of the Company and to be bound by the Constitution.

(g) Quotation of Shares

The Company will apply to ASX for official quotation of the Shares issued upon the exercise of the Options.

(h) Timing of Issue of Shares and Quotation of Shares on Exercise

Within five Business Days after receipt of an Option Exercise Form given in accordance with these terms and conditions and payment of the applicable Exercise Price for each Option being exercised, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Option Exercise Form and for which cleared funds have been received by the Company; and

For personal use only

(ii) 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.

(i) Participation in new issues

A Holder who holds Options is not entitled to:

- (i) notice of, or to vote or attend at, a meeting of the shareholders;
 - (ii) receive any dividends declared by the Company; or
 - (iii) participate in any new issues of securities offered to shareholders during the term of the Options,
- unless and until the Options are exercised and the Holder holds Shares.

(j) Adjustment for bonus issue of Shares

If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Holder would have received if the Holder of an Option had exercised the Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(k) Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing shareholders (other than an issue in lieu of, or in satisfaction of, dividends or by way of dividend reinvestment) there will be no adjustment to the Exercise Price of an Option.

(l) Adjustment for reorganisation

If there is any reorganisation of the capital of the Company, the rights of the Holder will be varied to comply with the Listing Rules that apply to the reorganisation at the time of the reorganisation.

(m) Quotation of Options

The Company will not apply for official quotation of the Options on ASX.

(n) Options transferable

The Options are transferrable subject to compliance with the Corporations Act 2001 (Cth).

(o) US securities laws restrictions

The Options, and the ordinary shares underlying the Options, have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States and will not be offered or sold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.