

19 July 2024

Dear Shareholder

De.mem Limited – Extraordinary General Meeting of Shareholders, 20 August 2024

Notice is hereby given that the Extraordinary General Meeting of Shareholders of De.mem Limited (**Company**) will be held as a virtual meeting via a webinar conferencing facility at 3:30pm (AEST) on Tuesday, 20 August 2024 (“Extraordinary General Meeting”, “EGM” or “Meeting”).

In accordance with the *Corporations Act 2001*, the Company is sending this notification letter instead of dispatching physical copies of the Notice of Meeting. The Notice of Meeting and accompanying explanatory statement (“Meeting Materials”) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website <https://demembranes.com/investors/>.
- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “DEM”.


If you would like to receive electronic communications from the Company in the future, please update your communication elections online at <https://investorcentre.linkgroup.com>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Link Market Services Limited on <https://investorcentre.linkgroup.com> or by phone on +61 1300 554 474 or 1300 554 474 (within Australia), to obtain a copy.

If you are receiving a hard copy of this letter it will be accompanied by a personalised proxy form.

As noted above, the Meeting will be held as a virtual meeting via a webinar conferencing facility. Details of how to register to attend the Meeting are contained in the Meeting Materials. The Company strongly recommends to Shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online.

Yours sincerely,



Tony Panther
Company Secretary
De.mem Limited

For personal use only



DE.MEM LIMITED
ACN 614 756 642

Notice of Extraordinary General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Tuesday, 20 August 2024

Time of Meeting:
3:30PM (AEST)

Place of Meeting:
Held virtually via Webinar conferencing facility

This Notice of Extraordinary General Meeting and Explanatory Statement should be read in its entirety.

If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

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DE.MEM LIMITED

ACN 614 756 642

Registered office: 96-100 Albert Road, South Melbourne, VIC 3205

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting (“EGM”) of Members of De.Mem Limited (the “Company”) will be held virtually via a webinar conferencing facility at 3:30PM (AEST) on Tuesday, 20 August 2024.

Virtual Attendance

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting as set out in this Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be delivered to you by email or post (depending on your communication preferences).

Shareholders attending the EGM virtually will be able to ask questions and the Company has made provision for Shareholders who register their attendance before the start of the meeting to also cast their votes on the proposed resolutions at the EGM.

The virtual meeting can be attended using the following details:

When: Tuesday, 20 August 2024 at 3:30pm (AEST)

Topic: De.Mem Limited – 2024 Extraordinary General Meeting

Register in advance for the virtual meeting:

https://vistra.zoom.us/webinar/register/WN_7jdCMqfPSE2TgYDP3XtKLw

After registering, you will receive a confirmation email containing information about joining the meeting. As noted previously, the Company strongly recommends its shareholders to lodge a directed proxy as soon as possible in advance of the meeting even if they are planning to attend the meeting online. The Company will conduct a poll on each resolution presented at the meeting. The Company will accept questions during the meeting either by submitting a question through the Q&A box located on screen or by raising the hand function also located on screen at which point the Company will allow your question verbally.

The Company is happy to accept and answer questions submitted prior to the meeting by email to Tony Panther at Tony.Panther@vistra.com. The Company will address relevant questions during the meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

Any shareholders who wish to attend the EGM online should therefore monitor the Company’s website and its ASX announcements for any updates about the Meeting. If it becomes necessary or appropriate to make alternative arrangements for the holding or conducting of the Meeting, the Company will make further information available through the ASX website at asx.com.au (ASX: DEM) and on its website at <https://demembranes.com/investors/>

AGENDA

The Explanatory Statement and proxy form, which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Resolution 1: Ratification of Prior Issue of Placement Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on 12 June 2024 of 18,500,000 fully paid ordinary shares in the Company at an issue price of \$0.10 cents per share as described in the Explanatory Statement.”

Resolution 2: Approval of Issue of 500,000 Shares to Cosimo Trimigliozi

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of 500,000 fully paid ordinary shares at an issue price of \$0.10 (10 cents) per share to Mr Cosimo Trimigliozi (or his nominee(s)), on the terms and conditions as described in the Explanatory Statement accompanying the Notice of the Meeting.”

Resolution 3: Approval of Issue of 2,000,000 Shares to Harry de Wit

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:


“That, for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the issue of 2,000,000 fully paid ordinary shares at an issue price of \$0.10 (10 cents) per share to Mr Harry de Wit (or his nominee(s)), on the terms and conditions as described in the Explanatory Statement accompanying the Notice of the Meeting.”

Resolution 4: Ratification of Prior Issue of Consideration Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the allotment and issue on 2 July 2024 of 1,100,917 fully paid ordinary shares in the Company at an issue price of \$0.109 cents per share as described in the Explanatory Statement.”

BY ORDER OF THE BOARD



Tony Panther
Company Secretary
Dated: 15 July 2024

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.

2. **Record Date:** The Company has determined that for the purposes of the Extraordinary General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm, 48 hours before the date of the Extraordinary General Meeting. Only those persons will be entitled to vote at the Extraordinary General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Extraordinary General Meeting.

3. Proxies

- a. Votes at the Extraordinary General Meeting may be given personally or by proxy, attorney or representative.
- b. Each shareholder has a right to appoint one or two proxies.
- c. A proxy need not be a shareholder of the Company.
- d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
- e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
- g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
- h. To be effective, proxy forms must be received by the Company's share registry (Link Market Services Limited) no later than 48 hours before the commencement of the Extraordinary General Meeting, this is no later than 3.30pm (AEST) on Sunday, 18 August 2024. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. Voting Exclusion Statement:

Resolution 1

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person or persons who participated in the issues of securities addressed by this Resolution or any associates of that person or those persons.

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

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

Resolution 2

The Company will disregard any votes cast in favour of this Resolution by Mr Cosimo Trimiglio (or his nominee(s)) 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 entity) or any associates of that person or those persons.

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

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

Resolution 3

The Company will disregard any votes cast in favour of this Resolution by Mr Harry de Wit (or his nominee(s)) 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 entity) or any associates of that person or those persons.

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

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

Resolution 4

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person, being Mr Jaafar Roz, who participated in the issues of securities addressed by this Resolution or any associates of that person .

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

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

6. Enquiries

Shareholders are invited to contact the Company Secretary on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Resolution 1: Ratification of Prior Issue of Placement Shares

Background

On 3 June 2024, the Company completed a share placement (“**Placement**”) to raise \$2.1m at \$0.10 (10 cents) per share for the purpose of financing the acquisition of Auswater Systems Pty Ltd (“**Auswater**”). The Placement participants included institutional investors (“**Placement Participants**”) and members of the Board.

The issue of 18,500,000 new shares under the Placement was completed on 12 June 2024 (“**Issue Date**”) under the Company’s existing placement capacity under ASX Listing Rule 7.1A.

The Company seeks subsequent approval of these issues from shareholders pursuant to ASX Listing Rule 7.4.

ASX Listing Rules Requirements – Listing Rule 7.4

ASX Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2. The issue of shares to Placement Participants was within the Company’s available placement capacity under ASX Listing Rule 7.1A and did not fit within any of the Listing Rule 7.2 exceptions.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of the Placement Shares were within the Company’s ASX Listing Rule 7.1A placement capacity, and were not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issues pursuant to ASX Listing Rule 7.4, to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 or Listing Rule 7.1A.

If this Resolution is approved, the prior issue of 18,500,000 Shares to Placement Participants may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company would therefore have the flexibility, if required, to issue additional equity securities without the 18,500,000 shares counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1 or the 10% threshold for the purposes of ASX Listing Rule 7.1A, effectively increasing the number of equity securities it could issue without shareholder approval over the 12-month period following the Issue Date.

If this Resolution is not approved, the prior issue of 18,500,000 shares to Placement Participants will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the 18,500,000 Shares issued to Placement Participants as counting towards use of the 10% threshold for the purposes of ASX Listing Rule 7.1A. This would limit the Company’s placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities it could issue without shareholder approval over the 12 month period following the Issue Date.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a) the Shares were issued to institutional and sophisticated investors introduced to the Company via existing relationships with the Company. There was no participant in the issue of the Shares that was an investor required to be disclosed under ASX Guidance Note 21;
- b) the number and class of securities issued was 18,500,000 fully paid ordinary shares in the Company;
- c) the Shares were issued on 12 June 2024;
- d) the shares were issued for cash at an issue price of \$0.10 (10 cents) per Share; and
- e) the purpose of the issue was to raise funds to be used for the Auswater acquisition, transaction costs and general working capital.

Voting Exclusions

A voting exclusion statement for this Resolution is set out on Note 5 of this Notice.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 1. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 1.

Voting Exclusions for Resolutions 1

A voting exclusion statement is set out in Note 5 of this Notice.

Resolutions 2 and 3: Approvals to issue Shares to Directors

Background to Resolutions 2 and 3

In addition to the Placement share issues noted above in relation to Resolution 1, two directors of the Company, Mr Cosimo Trimiglozzi and Mr Harry de Wit, agreed to participate in the Placement, subject to the required Shareholder approval of the issues of shares to each of them. Mr Trimiglozzi has subscribed for 500,000 Shares and Mr de Wit has subscribed for 2,000,000 Shares.

The Company is therefore seeking shareholder approval pursuant to ASX Listing Rule 10.11 for the issue of 500,000 fully paid ordinary shares at an issue price of \$0.10 per share to Mr Cosimo Trimiglozzi (or his nominee(s)) and 2,000,000 fully paid ordinary shares at an issue price of \$0.10 per share to Mr Harry de Wit (or his nominee(s)) (collectively, the **Proposed Issues**).

A summary of the Shares proposed to be issued under Resolutions 2 and 3 are as follows:

Resolution	Name of Director	Number of Shares	Issue Price per Share	Funds to be raised from issue of Shares
Resolution 2	Mr Cosimo Trimiglozzi	500,000	\$0.10	\$50,000
Resolution 3	Mr Harry de Wit	2,000,000	\$0.10	\$200,000
	Total	2,500,000		

ASX Listing Rules Requirements – Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of 13 14 the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders;

unless it obtains the approval of its shareholders.

The Proposed Issues fall within Listing Rule 10.11.1, as Mr Trimiglozzi and Mr de Wit are directors, and therefore, related parties of the Company, and do not fall within any of the exceptions in Listing Rule 10.12. Each of the Proposed Issues therefore require the approval of the Company's shareholders under Listing Rule 10.11.

Resolution 2 seeks the required shareholder approval to the Proposed Issue to Mr Trimiglozzi under and for the purposes of Listing Rule 10.11. Resolution 3 seeks the required shareholder approval to the Proposed Issue to Mr de Wit under and for the purposes of Listing Rule 10.11.

If Resolution 2 is passed, the Company will be able to proceed with the Proposed Issue of 500,000 Shares to Mr Trimiglozzi and will receive \$50,000 in cash from the issue of those Shares.

If Resolution 2 is not passed, the Company will not be able to proceed with the Proposed Issue of Shares to Mr Trimiglozzi and will not receive the \$50,000 cash proceeds.

If Resolution 3 is passed, the Company will be able to proceed with the Proposed Issue of 2,000,000 Shares to Mr de Wit and will receive \$200,000 in cash from the issue of those Shares.

If Resolution 3 is not passed, the Company will not be able to proceed with the Proposed Issue of Shares to Mr de Wit and will not receive the \$200,000 cash proceeds.

ASX Listing Rule 10.13 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 10.11, under Resolutions 2 and 3, respectively:

- a. the Shares are to be issued to:
 - i. Mr Cosimo Trimiglozzi (Resolution 2); and
 - ii. Mr Harry de Wit (Resolution 3);
- b. Mr Trimiglozzi and Mr de Wit both fall within Listing Rule 10.11.1 as each of them is a director of the Company and therefore a related party;
- c. the number and class of securities to be issued is 2,500,000 fully paid ordinary shares in the Company as follows:
 - i. 500,000 Shares to Mr Cosimo Trimiglozzi (Resolution 2); and
 - ii. 2,000,000 Shares to Mr Harry de Wit (Resolution 3);
- d. the Shares will be issued by no later than one month after the date of this Meeting;
- e. the Shares will be issued at a price of \$0.10 (10 cents) per Share; and
- f. the purpose of the issue is to raise funds to be used for the Auswater acquisition, transaction costs and general working capital.

Voting Exclusions for Resolutions 2 and 3

A voting exclusion statement is set out in Note 5 of this Notice.

Board Recommendation

The Board (with the respective directors abstaining in relation to the relevant Resolution regarding their own proposed Shares) recommends that shareholders vote in favour of Resolutions 2 and 3. The Chairman will vote undirected proxies in favour of Resolutions 2 and 3.

Resolution 4: Ratification of Prior Issue of Consideration Shares

Background

The Company is seeking shareholder approval pursuant to ASX Listing Rule 7.4 to ratify the issue on 2 July 2024 (**Issue Date**) of 1,100,917 fully paid ordinary shares (**Shares**), at an issue price of \$0.109 (10.9 cents) per Share, to Mr Jaafar Roz, part-owner and Managing Director of Auswater Systems Pty Ltd (**Auswater**), in his capacity as sellers' representative on behalf of the vendors of Auswater, as part consideration for the acquisition of Auswater by the Company, as announced on 3 June 2024 and 2 July 2024 (**Acquisition**).

The Shares were issued without shareholder approval from the Company's 15% placement capacity pursuant to ASX Listing Rule 7.1 and are subject to voluntary escrow for six (6) months from the issue date. The Company is seeking shareholder approval to ratify the Issue.

ASX Listing Rules

ASX Listing Rules 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, excluding any issues that are subject to one of the exceptions in ASX Listing Rule 7.2. The issue of the was within the Company's available placement capacity under ASX Listing Rule 7.1 and did not fit within any of the Listing Rule 7.2 exceptions.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rule 7.1 if the issue did not breach ASX Listing Rule 7.1 at the time and shareholders subsequently approve it. As the issue of the Shares was within the Company's ASX Listing Rule 7.1 placement capacity, and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4 in order to retain as much flexibility as possible to issue additional equity securities without having to obtain shareholder approval for such issues under Listing Rule 7.1.

If this Resolution is approved, the prior issue of 1,100,917 Shares may be treated by the Company as having been made with Shareholder approval under ASX Listing Rule 7.1. The Company will therefore have the flexibility, if required, to issue additional equity securities without the 1,100,917 Shares counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If this Resolution is not approved, the prior issue of 1,100,917 Shares will not be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1. The Company will therefore have the 1,100,917 Shares, the subject of this Resolution, as counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1. This will limit the Company's placement capacity under the Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

ASX Listing Rule Disclosure Requirements

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- a. The Shares were issued to Mr Jaafar Roz. There was no participant in the issue of the Shares that was an investor required to be disclosed under ASX Guidance Note 21;
- b. the number and class of securities issued is 1,100,917 fully paid ordinary shares in the Company;
- c. the Shares were issued on 2 July 2024;
- d. the Shares were issued at a deemed issue price of \$0.109 (10.9 cents) per Share;
- e. the purpose of the issue was to provide the Shares as part consideration for the acquisition of Auswater. The Shares were not issued for cash, therefore no funds were raised by the issue;
- f. The shares were issued under the agreement between the Company and the vendors of Auswater for the Company to acquire Auswater. The Acquisition was completed in July 2024 and the material terms of the agreement were:
 1. the Company acquired 100% of the issued shares of Auswater;
 2. Consideration for the acquisition comprised:
 - a. Unconditional payments
 - (i) Tranche 1 (payable immediately upon completion of the Acquisition): comprising a cash payment of \$1,380,000 and 1,100,917 fully paid ordinary shares in the Company with a value of \$120,000 (based on the 20 day volume weighted average share price preceding completion date);
 - (ii) Tranche 2 (payable after 12 months from completion): comprising a cash payment of \$110,000 and fully paid ordinary shares in the Company with a value of \$40,000 (based on the 20 day volume weighted average share price preceding the 12 month anniversary of the completion date of the Acquisition)
 - b. Incentive tranches
 - (i) Milestone 1 – 12 months after completion of Acquisition (payable if Auswater achieves a revenue increase of at least 15% in the first 12 months after completion (relative to the 12 months prior to completion): comprising a cash payment of \$25,000 and fully paid ordinary shares in the Company with a value of \$25,000 (based on the 20 day volume weighted average share price preceding the 12 month anniversary of the completion date of the Acquisition);
 - (ii) Tranche 2 – 24 months after completion of Acquisition (payable if Auswater achieves a revenue increase of at least 30% in the second 12 months after completion (relative to the 12 months prior to completion): comprising a cash payment of \$25,000 and fully paid ordinary shares in the Company with a value of \$25,000 (based on the 20 day volume weighted average share price preceding the 24 month anniversary of the completion date of the Acquisition).

Voting Exclusions

A voting exclusion statement for Resolution 4 is set out on Note 5 of this Notice.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolution 4. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 4.

For personal use only

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“ASX” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“AEST” means Australian Eastern Standard Time.

“Board” means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

“Chairman” means the person appointed to chair the Meeting of the Company convened by the Notice;

“Company” means De.mem Limited ACN 614 756 642;

“Constitution” means the constitution of the Company as at the date of the Meeting;

“Corporations Act” means the Corporations Act 2001 (Cth);

“Director” means a Director of the Company;

“Explanatory Statement” means the explanatory statement which forms part of the Notice;

“Listing Rules” means the Listing Rules of the ASX;

“Meeting” has the meaning given in the introductory paragraph of the Notice;

“Notice” means this Notice of Meeting including the Explanatory Statement;

“Proxy Form” means the proxy form attached to the Notice;

“Resolution” means a resolution referred to in the Notice;

“Section” means a section of the Explanatory Statement;


“Share” means a fully paid ordinary share in the capital of the Company;

“Shareholder” means shareholder of the Company; and


“Share Registry” means Link Market Services Limited (ABN 54 083 214 537).


LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
 DE.MEM Limited
 C/- Link Market Services Limited
 Locked Bag A14
 Sydney South NSW 1235 Australia

 **BY FAX**
 +61 2 9287 0309

 **BY HAND**
 Link Market Services Limited
 Parramatta Square, Level 22, Tower 6,
 10 Darcy Street, Parramatta NSW 2150

 **ALL ENQUIRIES TO**
 Telephone: 1300 554 474 Overseas: +61 1300 554 474



X999999999999

PROXY FORM

I/We being a member(s) of DE.MEM Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **3:30pm (AEST) on Tuesday, 20 August 2024 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be held virtually via Webinar conferencing facility at https://vistra.zoom.us/webinar/register/WN_7jdCMqfPSE2TgYDP3xtKLw.


The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*
1 Ratification of Prior Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of Issue of 500,000 Shares to Cosimo Trimigliozzi	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Issue of 2,000,000 Shares to Harry de Wit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratification of Prior Issue of Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf 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 SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

For personal use only

STEP 1

STEP 2

STEP 3



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Extraordinary General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **3:30pm (AEST) on Sunday, 18 August 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

DE.MEM Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*During business hours Monday to Friday (9:00am - 5:00pm)