



# epsilon

## HEALTHCARE

Epsilon Healthcare Limited  
ACN 614 508 039

Notice of  
Annual General Meeting  
2:00pm (Sydney time) on 31 May 2022

Meeting Venue:  
Online via the Computershare Meeting Platform

**This is an important document. Please read it carefully.**

Please speak to your professional advisers if you have any questions about this document or how to vote at the Meeting.



## Notice of 2022 Annual General Meeting

Notice is hereby given that the 2022 Annual General Meeting of Epsilon Healthcare Limited (the **Company** or **Epsilon**) is to be held at 2:00pm (Sydney time) on Tuesday, 31 May 2022. In accordance with clause 15.5 of the Company's Constitution the Company will hold a virtual meeting, with shareholders able to participate via a live webcast on the Computershare Meeting Platform.

Shareholders can attend this meeting virtually via the Computershare Meeting Platform at <https://meetnow.global/MA4VCYK>. The Computershare Meeting Platform enables shareholders to watch the meeting live, including any presentation materials, vote online during the meeting, and to put questions to the meeting. Voting on all resolutions will be conducted by poll.

### Ordinary Business of the Meeting

#### Financial Statements and Reports

To receive the Company's financial statements and the reports of the Directors and the Auditor for the financial year ended 31 December 2021. There is no requirement for a formal resolution on this item.

#### 1. Resolution 1: Non-binding resolution to adopt the Remuneration Report

To consider and if thought fit, pass the following as **a non-binding ordinary resolution**:

"That the Directors' Remuneration Report for the year ended 31 December 2021 be and is hereby adopted for the purposes of the *Corporations Act 2001* (Cth)."

##### Voting Exclusion Statement

A voting exclusion applies to this Resolution 1. The Company will disregard any votes cast (in any capacity, whether as proxy or as shareholder) by any of the following:

- a) Key Management Personnel;
- b) Closely Related Parties of Key Management Personnel; and
- c) as a proxy by a member of Key Management Personnel or a Key Management Personnel's Closely Related Party

However, the Company need not disregard a vote if it is:

- i. Cast by a person as proxy appointed in accordance with the directions on the proxy form that specify how the proxy is to vote on Resolution 1; and the vote is not cast on behalf of a person described in subparagraphs (a), (b) and (c) above; or
- ii. Cast by the chair of the Meeting as proxy appointed in accordance with the directions of the proxy form for a person who is entitled to vote, and such appointment on the proxy form expressly authorises the chair to exercise the proxy even if the resolution is connected directly with the remuneration report; and the vote is not cast on behalf of a person described in subparagraphs (a), (b) and (c) above.



## Election of Directors

### 2. Resolution 2: Ordinary Resolution to Elect Simon Rowe as a Director

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

"That, Simon Rowe, retiring in accordance with Clause 19.5 of the Company's Constitution be re-elected as a director of the Company."

### 3. Resolution 3: Ordinary Resolution to Elect Robert Jenny as a Director

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

"That, Robert Jenny, retiring in accordance with Clause 19.5 of the Company's Constitution be re-elected as a director of the Company."

## Share Capital Approvals

### 4. Resolution 4: Ordinary Resolution to Ratify December 2021 Placement

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

"That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue of 30,000,000 Shares in the Company to the parties, for the purpose, and on the terms set out in the Explanatory Statement accompanying this Notice."

#### Voting Exclusion Statement

A voting exclusion applies to this Resolution 4. The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- a) Any person who participated in the share issue; or
- b) Any associates of those persons

However, this does not apply to a vote cast in favour of a 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:
  - o the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### 5. Resolution 5: Ordinary Resolution to Ratify May 2022 Placement

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

"That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, Shareholders approve and ratify the issue of 17,647,059 Shares in the Company to the parties, for the purpose, and on the terms set out in the Explanatory Statement accompanying this Notice."

**Voting Exclusion Statement**

A voting exclusion applies to this Resolution 5. The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- c) Any person who participated in the share issue; or
- d) Any associates of those persons

However, this does not apply to a vote cast in favour of a 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:
  - o the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**6. Resolution 6: Ordinary Resolution to Approve Issue of Placement Options**

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

"That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 15,000,000 Options exercisable at \$0.15 expiring 3 years following their date of issue in the Company to the parties, for the purpose, and on the terms set out in the Explanatory Statement accompanying this Notice."

**Voting Exclusion Statement**

A voting exclusion applies to this Resolution 6. The Company will disregard any votes cast in favour of the resolution by or on behalf of:

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

However, this does not apply to a vote cast in favour of a 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:
  - o the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**7. Resolution 7: Ordinary Resolution to Approve Issue of Lead Manager Options**

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

"That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 15,000,000 Options exercisable at \$0.15 expiring 3 years following their date of issue in the Company to CPS Capital Group Pty Ltd (or their nominees), for the purpose, and on the terms set out in the Explanatory Statement accompanying this Notice."



#### **Voting Exclusion Statement**

A voting exclusion applies to this Resolution 7. The Company will disregard any votes cast in favour of the resolution by or on behalf of:

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

However, this does not apply to a vote cast in favour of a 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:
  - o the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **8. Resolution 8: Special Resolution to Approve Additional 10% Placement Capacity**

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

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

Note: this resolution is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, vote in favour.

As at the date of this Notice, the Company is not proposing to make an issue of equity securities under ASX Listing Rule 7.1A.2.

#### **Voting Exclusion Statement**

A voting exclusion applies to this Resolution 8. The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- a) Any 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 shares in the Company); or
- b) Any associates of those persons

However, this does not apply to a vote cast in favour of a 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:
  - o the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
  - o the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.



## **Other Business**

### **9. Other Business**

To transact any other business which may be legally brought before this Annual General Meeting, in accordance with the Company's Constitution and the *Corporations Act 2001* (Cth).

By order of the Board

**Steven Xu**

Chairman

Epsilon Healthcare Limited

3 May 2022



## Explanatory Statement

This Explanatory Statement is intended to provide shareholders of Epsilon Healthcare Limited (**Epsilon** or the **Company**) with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

If you have any queries regarding the matters set out in this Explanatory Statement or the preceding Notice please contact Epsilon or seek advice from your professional advisors.

## Financial Statements and Reports

### Financial Statements and Reports – Financial Year Ended 31 December 2021

The *Corporations Act 2001* (Cth) (the **Corporations Act**) requires the Financial Report, Directors' Report and Auditor's Report for the past financial year to be tabled before the Annual General Meeting, and the Company's Constitution provides for such reports to be received and considered at that meeting. Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders at the Annual General Meeting on such Reports. The Annual General Meeting provides a forum for shareholders to ask questions and make comments on the Company's reports and accounts and on the business and operations of the Company for the year ended 31 December 2021.

In addition, at the meeting, shareholders may ask questions of the auditor in relation to the following:

- the conduct of the audit;
- the content of the auditor's report;
- the accounting policies adopted by the Company for the preparation of the financial statements; and
- the auditor's independence in relation to the above items.

Shareholders may view the Company's 2021 Annual Report on the Company's website: [epsilonhc.com](http://epsilonhc.com).

### Resolution 1: Non-binding resolution to adopt the Remuneration Report

In accordance with Section 250R(2) of the Corporations Act a resolution that the Remuneration Report be adopted must be put to a vote at the Company's Annual General Meeting. The vote on this resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's 2021 Annual Report and is also available from the Company's website.

The Remuneration Report:

- describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;
- sets out the remuneration arrangements in place for each director and for certain members of the senior management team; and
- explains the difference between the bases for remunerating non-executive directors and senior executives, including the Chief Executive Officer.



If Resolution 1 receives a 'No' vote of 25% or more of the votes cast at the meeting, the Company's Remuneration Report for 2022 will include a report on actions taken by the Board in response. The Board will take the outcome of the vote, even if less than 25% 'No' into consideration when reviewing the Company's remuneration policy. There has not been a 'No' vote of more than 25% in any past years.

#### Directors Recommendation

The Directors unanimously recommend that the shareholders vote in favour of adopting the Remuneration Report. The Chairman intends to vote all undirected proxies in favour of Resolution 1.

#### Voting Exclusion Statement

A Voting Exclusion Statement applies to this Resolution 1 relating to Key Management Personnel identified in the 2021 Annual Report and their Closely Related Parties as these terms are defined in the Corporations Act.

## **Election of Directors**

### **Resolutions 2 and 3: Ordinary Resolutions to Elect Simon Rowe and Robert Jenny as Directors**

The Company's Constitution requires that at least one director must stand for election or re-election at each Annual General Meeting, and further that directors must stand for re-election at their first annual general meeting following their appointment, where that appointment was made by the other directors to fill a 'casual vacancy'. Accordingly, both Mr Simon Rowe and Dr Robert Jenny are required to seek re-election at this Annual General Meeting, as this is their first Annual General Meeting.

#### Mr Rowe's Biography

Mr Simon Rowe is currently the Supply Chain Transformation & Operations Leader ANZ at Kimberly-Clark – a Fortune 500 personal care company. Prior to that, Simon has held associate director and senior manager level roles within KPMG and EY advisory specialising in operational transformation and optimisation.

#### Dr Jenny's Biography

Dr Robert Jenny is currently an executive at Cannvalate – an Australian medicinal cannabis services company – where he manages their business development activities in the Australian and New Zealand market. Rob has previously held management and research roles including at Ensign Laboratories – one of Australia's largest contract pharmaceutical manufacturers – Immunoglobal Group, and Monash University.

#### Directors Recommendation

In respect of Mr Rowe's re-election, the directors (other than Mr Rowe) recommend Shareholders vote in favour of Resolution 2. In respect of Dr Jenny's re-election, the directors (other than Dr Jenny) recommend Shareholders vote in favour of Resolution 3. The Chairman of the Meeting intends to vote all undirected proxies in favour of Resolutions 2 and 3.

## **Share Capital Approvals**

### **Resolutions 4 and 5: Ratification of December 2021 Share Issue**

Resolutions 4 and 5 seek to ratify prior issues of securities by the Company where the securities were issued without shareholder approval under the Company's capacity to issue securities which amount to no more than 15% of the Company's issued capital in the 12 month period immediately preceding the date of the issue or agreement per ASX Listing Rule 7.1. The effect of the ratification proposed by Resolutions 4 and 5 is to





provide subsequent approval for those issues of securities under ASX Listing Rule 7.4 which 'refreshes' the Company's 15% placement capacity.

ASX Listing Rule 7.1 provides that without the approval of holders of ordinary securities, a company must not, subject to specified exceptions, issue or agree to issue during any 12 months period any equity securities or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. ASX Listing Rule 7.4 provides where an issue of securities made without shareholder approval pursuant to ASX Listing Rule 7.1 is subsequently approved or ratified by shareholders, those securities will be treated as having been issued with approval under ASX Listing Rule 7.1, effectively 'refreshing' the issue capacity noted above.

The Company seeks this approval to allow the Company to have the flexibility to issue further securities in the Company should the need arise such as for the Company to undertake an acquisition using its securities as consideration, to conduct a capital raising, or for other purposes.

In the event that Resolutions 4 and 5 is not passed, the Company will not have 'refreshed' its capacity to issue securities pursuant to ASX Listing Rule 7.4 and accordingly these securities will continue to 'take up' part of the total 15% ASX Listing Rule 7.1 capacity.

Where Resolutions 4 and 5 is passed, the Company will have 'refreshed' its capacity to issue securities pursuant to ASX Listing Rule 7.4, and accordingly these securities will not continue to 'take up' part of the total 15% ASX Listing Rule 7.1 capacity. The Company will have the full 15% ASX Listing Rule 7.1 capacity.

The Company provides the following information with respect to Resolutions 4 and 5 pursuant to ASX Listing Rule 7.5:

*Resolution 4: December 2021 Placement*

Number of Securities	30,000,000 Fully Paid Ordinary Shares
Price	\$0.09 per share (\$2,700,000)
Terms of Securities	Fully Paid Ordinary Shares that rank equally with all existing Shares on issue
Date of Issue	16 December 2021
Persons Issued To	Sophisticated and professional investors, primarily being parties introduced to the Company by CPS Capital, the Lead Manager to the Placement.
Purpose of Issue / Use of Funds	The funds raised have been applied towards working capital including the operation of the Company's Southport Facility (through subsidiary, THC Pharma Pty Ltd) and Tetra Health clinic network (through subsidiary, Tetra Pty Ltd).
Material Terms of Relevant Agreement	None.
Voting Exclusion	A voting exclusion statement applies to this Resolution.



### Resolution 5: May 2022 Placement

Number of Securities	17,647,059 Fully Paid Ordinary Shares
Price	\$0.034 per share (\$600,000)
Terms of Securities	Fully Paid Ordinary Shares that rank equally with all existing Shares on issue
Date of Issue	3 May 2022
Persons Issued To	A strategic investor, being a sophisticated and professional investor exempt from disclosure requirements under Chapter 6D.2 of the Corporations Act.
Purpose of Issue / Use of Funds	The funds raised are being applied towards general working capital of the Company, including the operation of the Company's Southport Facility (through subsidiary, THC Pharma Pty Ltd) and Tetra Health clinic network (through subsidiary, Tetra Pty Ltd).
Material Terms of Relevant Agreement	The issue was pursuant to a subscription agreement with the investor on terms customary for an agreement of this nature. This placement is the first of two potential tranches of securities to be issued to the investor. The second tranche is proposed to be of up to \$1.5 million on terms similar to this placement. Shareholder approval is not being sought for this second tranche at this time, and the passing of this Resolution 5 by shareholders does not extend to the second tranche (if any). Further details of this agreement have been disclosed by the Company in prior releases (ASX Release: 2 May 2022).
Voting Exclusion	A voting exclusion statement applies to this Resolution.

### Resolutions 6 and 7: Issue of Placement Options and Lead Manager Options

In December 2021, the Company completed a placement of 30,000,000 shares at \$0.09 per share to sophisticated and institutional investors to raise \$2,700,000 before costs (**Placement**). The Placement was undertaken without disclosure to the recipients under Part 6D.2 of the Corporations Act 2001 (Cth).

Subject to shareholder approval, each Placement participant is to receive one free attaching option (**Option**) for every two new Shares issued, and the Lead Manager, CPS Capital (or their nominees) is to receive one Option for every two securities issued pursuant to the Placement. The Options will be exercisable at \$0.15 each expiring three years from the date of issue.

The issue of the Options are subject to approval by Shareholders at this Annual General Meeting. If Shareholder approval is not received, in respect of Resolution 6, Placement participants will not receive their attaching Option, but will have no further entitlement in lieu of the value of these Options. If Shareholder approval is not received in respect of Resolution 7, CPS Capital will be entitled to a cash payment from the Company of \$200,000 in lieu of the value of these Options.

The Company will separately consider, in consultation with ASX, as to the appropriateness of the quotation of these Options on the ASX, in parallel with the Company's main class of quoted securities.

#### ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that without the approval of holders of ordinary securities, a company must not, subject to specified exceptions, issue or agree to issue during any 12 months period any equity securities or



other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. Accordingly the Company seeks shareholder approval for the issue of these securities.

The Company provides the following information with respect to Resolutions 6 and 7 pursuant to ASX Listing Rule 7.1:

*Resolution 6: Issue of Options to Placement Participants*

Maximum Number of Options	15,000,000 Options
Security Class	Options ex \$0.15 exp three years from date of issue
Date of Issue	The Options will be issued no later than 3 months after the date of the Meeting
Price	The issue price is nil. The Options are free attaching options to the Shares issued under the Placement on a 1 Option for every 2 Shares subscribed basis. An indicative Black-Scholes valuation of the Option values each Option at \$0.0052.
Terms of Securities	The Options are exercisable at a price of \$0.15 each expiring three years from the date of issue. The Shares issued on conversion will be fully paid ordinary shares issued on the same terms and conditions as the Company's existing Shares.
Purpose of Issue / Use of Funds	The Options are being issued pursuant to the December 2021 Placement where participants were offered a matching 1 Option for every 2 Shares subscribed, subject to shareholder approval being sought by this Resolution. Although no further funds are being raised by the issue of these Options, if all Options are exercised, the Company will raise a further \$2.25 million which will be applied towards general working capital.
Persons Issued To	Sophisticated and professional investors, primarily being parties introduced to the Company by CPS Capital, the Lead Manager to the Placement.
Voting Exclusion	A voting exclusion statement applies to this Resolution.

*Resolution 7: Issue of Options to Lead Manager Participants*

Maximum Number of Options	15,000,000 Options
Date of Issue	The Options will be issued no later than 3 months after the date of the Meeting.
Price	\$0.00001 per Option however if the Resolution is not passed, CPS Capital will be entitled to a cash payment of \$200,000 by the Company. An indicative Black-Scholes valuation of the Option values each Option at \$0.0052.
Terms of Securities	The Options are exercisable at a price of \$0.15 each expiring three years from the date of issue. The Shares issued on conversion will be fully paid



	ordinary shares issued on the same terms and conditions as the Company's existing Shares.
Purpose of Issue / Use of Funds	The Options are being issued pursuant to an agreement between the Company and the Lead Manager of the December 2021 Placement. If all Options are exercised, the Company will raise a further \$2.25 million which will be applied towards general working capital.
Persons Issued To	The Lead Manager of the Placement, CPS Capital Group Pty Ltd (or their nominee).
Relevant Agreement	The Options are being issued pursuant to a Lead Manager mandate entered into between the Company and CPS Capital with respect to a placement conducted in December 2021.  The Lead Manager mandate was generally on terms customary for agreements of this nature, and include a management fee (2%) and a placing fee (4%) on the funds raised in the December 2021 placement, as well as an ongoing corporate advisory fee of \$5,000 per months for six months from December 2021.
Voting Exclusion	A voting exclusion statement applies to this Resolution.

### **Resolution 8: Approval of Additional 10% Placement Capacity**

Resolution 8 is a special resolution for the approval of an additional 10% placement capacity for the Company to issue securities without shareholder approval pursuant to ASX Listing Rule 7.1A. This provides the Company with a higher level of flexibility to undertake capital raisings, to complete acquisitions, or other corporate actions involving the issue of equity securities by the Company.

#### **(a) Regulatory Framework**

ASX Listing Rule 7.1 provides that without the approval of holders of ordinary securities, a company must not, subject to specified exceptions, issue or agree to issue during any 12 months period any equity securities or other securities with rights to conversion to equity, if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. However, ASX Listing Rule 7.1A allows a company to seek shareholder approval at an annual general meeting to have the capacity to issue an additional 10% of its equity securities in the same class as an existing quoted class of securities. If approved, the issuance capacity is available for twelve-months following the annual general meeting at which the approval was obtained. An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

If Resolution 8 is passed, the Company will be able to utilise both the 10% capacity under ASX Listing Rule 7.1A in addition to the standard 15% capacity available to all entities under ASX Listing Rule 7.1. If Resolution 8 is not passed, the Company will only be able to use the 15% capacity under ASX Listing Rule 7.1.

If Resolution 8 is passed then the Company, within 12 months after shareholder approval, may issue up to an additional 10% of the Company's issued capital as fully paid ordinary shares calculated in accordance with the formula in ASX Listing Rule 7.1A.2 which is as follows:



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

Where:

- A = the number of fully paid ordinary securities on issue 12 months before the date of issue or date of agreement to issue:
- (i) plus the number of fully paid ordinary securities issued in the relevant period under an exception in rule 7.2 other than exception 9, 16 or 17,
  - (ii) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
    - a. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - b. the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
  - (iii) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
    - a. the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
    - b. the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
  - (iv) plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
  - (v) plus the number of partly paid ordinary securities that became fully paid in the relevant period,
  - (vi) less the number of fully paid ordinary securities cancelled in the relevant period;
- D = 10%
- E = the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rule 7.4.

(b) Compliance Information

In compliance with ASX Listing Rule 7.3A, the Company provides the following information with respect to Resolution 8:

- (i) The minimum price at which equity securities may be issued under the ASX Listing Rule 7.1A capacity will be calculated in accordance with ASX Listing Rule 7.1A.3 which requires that the issue price be no less than 75% of the volume weighted average price for securities in the same class as the security being issued, calculated over the 15 trading days on which trades in that class were recorded immediately before:
  - a. The date on which the price at which the securities are to be issued is agreed; or
  - b. If the securities are not issued within 10 trading days of the date in paragraph a, the date on which the securities are issued.
- (ii) Resolution 7 is approved by shareholders and the Company issues equity securities under the 10% Placement Facility, existing shareholders economic and voting power in the Company will be diluted as shown in the table below. There is a risk that:
  - a. the market price for the Company's equity securities may be significantly lower on the date of the issue of the equity securities than on the date of this approval under rule 7.1A; and
  - b. the equity securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date;

which may have an effect on the amount of funds raised by the issue of the equity securities.



- (iii) If Resolution 7 is approved by shareholders, the approval to issue securities under this capacity per ASX Listing Rule 7.1A will cease upon the earlier of:
  - a. The date that is 12 months after the date of the annual general meeting at which the approval is obtained, being 31 May 2023; or
  - b. The time and date of the entity's next annual general meeting.
  - c. The time and date of the approval by holders of the eligible entity's ordinary securities of a transaction under rule 11.1.2 or rule 11.2.
- (iv) The Company may seek to issue securities under this capacity for cash consideration only. As the Company continues to pursue growth opportunities and expand its global footprint, the Company may seek to raise capital using this additional capacity. Funds raised may be applied towards working capital, for funding acquisitions or investments, or other opportunities identified by the Directors. The Company will ensure it remains compliant with its disclosure obligations under ASX Listing Rule 7.1A.4 and 3.10.5A upon the issue of any securities under this capacity.
- (v) The allocation policy of the Company will be dependent upon the prevailing market conditions at the time of any proposed issue of securities under this capacity. The identity of any allottees will be determined on a case-by-case basis having regard to various factors including without limitation:
  - a. the alternate methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
  - b. the effect of the issue of the securities on the control of the Company;
  - c. the financial situation of the Company; and
  - d. advice from corporate, financial and broker advisers (as may be applicable from time to time).
- (vi) As at the date of this Notice, the Company has not identified any allottees proposed to be offered securities under this placement capacity (except as disclosed in ASX Announcement dated 2 May 2022) but may include new or existing investors who are not Related Parties or Associates of Related Parties of the Company. In the event that the 10% capacity is utilised for the purpose of conducting an acquisition, the allottees will be the vendors (or their nominees) of the acquisition target. At present, no such acquisition target has been definitively identified by the Company.
- (vii) In the 12 months preceding the date of this Meeting, the Company has issued equity securities under ASX Listing Rule 7.1A.2. In accordance with ASX Listing Rule 7.3A.6 the Company provides the following information:
  - a. The Company previously obtained Shareholder approval under ASX Listing Rule 7.1A on 29 July 2021. Subsequent to obtaining that approval and in conduct of a placement completed in December 2021, 19,270,694 Shares were issued at \$0.09 per share on terms that rank equally with all existing Shares on issue. The total number of equity securities issued under 7.1A during the period since last approval represent 10.10% of the total number of equity securities on issue at the date that was 12 months prior to such approval.
  - b. In the past 12 months, the Company issued 19,270,694 FPO under Listing Rule 7.1A, being part of the 30,000,000 FPO issued in the December 2021 Placement.



- The recipient of these securities were sophisticated and professional investors, primarily being parties introduced to the Company by CPS Capital, the Lead Manager to the Placement.
- The issue price was \$0.09 per Share, representing a 1.1% discount to closing market price on the date the Company agreed to issue the securities.
- The total cash consideration received for the equity securities issued under Listing Rule 7.1A is \$1,734,362.46. The cash consideration was used for working capital generally including the operation of the Company's Southport Facility (through subsidiary, THC Pharma Pty Ltd) and Tetra Health clinic network (through subsidiary, Tetra Pty Ltd). The Company is not able to determine exactly what amounts remain of the amounts raised, but refers to its quarterly cash flow statements which provide further disclosure as to the Company's working capital expenditure.

The following table sets out the possible dilution of existing shareholders of the Company on the basis of the market price of the Company's securities of \$0.041 on 14 April 2022 and on the issued capital of the Company at 14 April 2022 as variable "A" per Listing Rule 7.1A.

Variable A Listing Rule 7.1A	Dilution Effect			
		50% Decrease in Share Price \$0.021	Current Share Price \$0.041	100% Increase in Share Price \$0.082
Current Variable A 222,706,949	10% Dilution	22,270,695	22,270,695	22,270,695
	Funds Raised	\$467,685	\$913,098	\$1,826,197
50% Increase Variable A 334,060,424	10% Dilution	33,406,042	33,406,042	33,406,042
	Funds Raised	\$701,527	\$1,369,648	\$2,739,295
100% Increase Variable A 445,413,898	10% Dilution	44,541,390	44,541,390	44,541,390
	Funds Raised	\$935,369	\$1,826,197	\$3,652,394

The above table makes the following assumptions:

- All securities have been issued under the 10% capacity and the Company has issued the maximum number of equity securities available under the 10% capacity
- The dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue
- The table only shows the effect of issues of securities under ASX Listing Rule 7.1A and does not consider the 15% capacity the Company has under ASX Listing Rule 7.1 nor the Company's ability to issue securities without shareholder approval under the exceptions in ASX Listing Rule 7.2

### Directors Recommendation on Resolutions 4 to 8

The Directors recommend that shareholders vote in favour of Resolutions 4 to 8 and the Chairman intends to vote all undirected proxies in favour of these Resolutions.



Resolutions 4 and 5 seek the ratification of issues of securities which have already been completed, and accordingly the passing of these resolutions benefits the Company by 'refreshing' its capacity to issue further securities without shareholder approval. The Directors may use this capacity from time to time to conduct acquisitions, raise capital, or for other purposes which build shareholder value.

Resolutions 6 and 7 seeks approval for the issue of new Options in the Company which were proposed as part of the Placement conducted by the Company in December 2021. The Directors recommend shareholders approve these resolutions as they relate to the now completed Placement.

Resolution 8 seeks approval for an additional 10% placement capacity which can be used for issuing quoted securities for cash consideration and provides further flexibility to the Company should an opportunity arise requiring the issue of new quoted securities. The Company notes that whilst shareholder approval was sought for this additional 10% placement capacity in the 2020 AGM, the Company did not use this capacity following the meeting, and is not presently expecting to be issuing additional quoted securities under this capacity at this time.

### Voting Exclusion Statement

Various Voting Exclusion Statements apply to each of Resolutions 4 to 8. Please refer to the Voting Exclusion Statements under each Resolution in the Notice for further information on the exclusions.

## **Further Information**

For further information, please contact the Company at [corporate@epsilonhc.com](mailto:corporate@epsilonhc.com).

## **Voting Information**

Pursuant to Regulation 7.11.37 of the Corporations Regulation 2001 (Cth) the persons eligible to vote at the Meeting are those who are registered Shareholders at 2:00pm (Sydney time) on 29 May 2022.

**Voting in person:** To vote in person, attend the Meeting at the time, date and place set out above.

**Voting by proxy:** To vote by proxy, please complete and sign the enclosed Proxy Form and return it in accordance with the instructions set out in the Voting form so it is received no later than 2:00pm (Sydney time) on 29 May 2022.

Pursuant to section 249L of the Corporations Act, Shareholders are advised that:

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

If a Proxy Form is signed by an attorney, the original or a certified copy of the power of attorney or other authority under which the Proxy Form is signed must be provided to the Company's share registry in the manner specified in the Proxy Form by no later than 2:00pm (Sydney time) on 29 May 2022.

**Voting by corporate representative:** A Shareholder or proxy which is a corporation and entitled to attend and vote at the Meeting may appoint an individual to act as its corporate representative to vote at the Meeting. The appointment must comply with section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment and lodge it with the registration desk unless it has been previously provided to the Company's share registry by the time and in the manner specified in the Proxy Form.

**Voting by attorney:** Pursuant to Clause 54.1 of the Company's Constitution a Shareholder entitled to attend and vote at the Meeting is entitled to appoint an attorney to attend and vote at the Meeting on the Shareholder's behalf. An attorney does not need to be a Shareholder. The power of attorney appointing the attorney must be signed and specify the name of each of the Shareholder, the Company and the attorney, and also specify the meeting(s) at which the appointment may be used. The appointment may be a standing one. To be effective, the power of attorney (or certified copy) must





also be returned in the same manner and time as specified for Proxy Form or otherwise lodged at the registration desk on the day of the Meeting.

**Key Management Personnel:** the Chair of the meeting may vote an undirected proxy (ie. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given informed consent, in the form of an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel (**Informed Consent**).

The Company recommends that shareholders consider the following options to ensure the validity of their votes:

- that shareholders direct proxies on a remuneration related resolution instead of leaving them undirected; or
- that shareholders nominate a proxy who is not a member of Key Management Personnel or any of their Closely Related Parties to vote on a remuneration related resolution; or
- that shareholders who wish to vest their undirected proxies in the chair on a remuneration related resolution ensure that they follow instructions provided on the proxy form in order to provide Informed Consent.

## **SCHEDULE: DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Notice and Explanatory Statement, unless the context otherwise requires, the following terms have the following meanings:

**ASIC** means the Australian Securities and Investments Commission;

**Associated Body Corporate** means a:

- (a) related body corporate of the Company under section 50 of the Corporations Act;
- (b) body corporate that has voting power in the Company of not less than 20%; or
- (c) body corporate in which the Company has voting power of not less than 20%;

**ASX** means ASX Limited or the securities market operated by ASX Limited, as the context requires;

**Board** means the board of Directors;

**Business Day** means a day (other than Saturday, Sunday or public holiday) on which banks are open for general banking business in Sydney, New South Wales;

**Chair** means the chair of the Meeting;

**Company** means Epsilon Healthcare Limited ACN 614 508 039;

**Constitution** means the constitution of the Company;

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

**Director** means a current director of the Company;

**Equity Securities** has the meaning given in the Listing Rules;

**Explanatory Statement** means the explanatory statement that accompanies this Notice of Annual General Meeting;

**Key Management Personnel** has the meaning given by section 9 of the Corporations Act;

**Options** means the Options to be issued pursuant to Resolutions 5 and 6 respectively, and on the terms and conditions summarised in the Explanatory Statement.

**Listing Rules** means the official listing rules of ASX

**Meeting, AGM or Annual General Meeting** means the general meeting convened by this Notice of Extraordinary General Meeting;

**Notice or Notice of Meeting or Notice of Annual General Meeting** means this notice of Annual General Meeting, including as the context allows, the Explanatory Statement;

**Official List** means the official list of entities that ASX has admitted to and not removed from listing;

**Placement** means the Shares issued on 16 December 2021;

**Proxy Form** means the proxy form enclosed with this Notice;

**Resolution** means a resolution contained in this Notice;

**Section** means a section of this Explanatory Statement;

**Securities** means any Shares or Options issued by the Company;

**Share** means a fully paid ordinary share in the capital of the Company; and

**Shareholder** means the holder of a Share.



## 1.2 Interpretation

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this this Notice and Explanatory Statement, except where the context makes it clear that a rule is not intended to apply.

- 1.1 Words and phrases which are defined by the Corporations Act have the same meaning in this this Notice and Explanatory Statement.
- 1.2 A reference to:
  - (a) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
  - (b) a document or agreement is to that document, agreement or provision as amended, supplemented, replaced or novated;
  - (c) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person;
  - (d) anything (including a right, obligation or concept) includes each part of it; and
  - (e) \$ is to the lawful currency in Australia unless otherwise stated.
- 1.3 A singular word includes the plural, and vice versa.
- 1.4 A word which suggests one gender includes the other genders.
- 1.5 If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- 1.6 If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
- 1.7 All references to time are references to the time in Sydney, New South Wales.

**Need assistance?****Phone:**1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)**Online:**[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

EPN

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Epsilon Healthcare Limited Annual General Meeting

The Epsilon Healthcare Limited Annual General Meeting will be held on Tuesday, 31 May 2022 at 2:00pm (Sydney time). You are encouraged to participate in the meeting using the following options:



### MAKE YOUR VOTE COUNT

To lodge a proxy, access the Notice of Meeting and other meeting documentation visit [www.investorvote.com.au](http://www.investorvote.com.au) and use the below information:

**Control Number: 999999****SRN/HIN: I9999999999****PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

For your proxy appointment to be effective it must be received by 2:00pm (Sydney time) on Sunday, 29 May 2022.



### ATTENDING THE MEETING VIRTUALLY

To watch the webcast, ask questions and vote on the day of the meeting, please visit: <https://meetnow.global/MA4VCYK>

For instructions refer to the online user guide [www.computershare.com.au/virtualmeetingguide](http://www.computershare.com.au/virtualmeetingguide)

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

**Need assistance?****Phone:**1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)**Online:**[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

EPN

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030**YOUR VOTE IS IMPORTANT**

For your proxy appointment to be effective it must be received by **2:00pm (Sydney time)** on **Sunday, 29 May 2022**.

# Proxy Form

**How to Vote on Items of Business**

All your securities will be voted in accordance with your directions.

**APPOINTMENT OF PROXY**

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

**SIGNING INSTRUCTIONS FOR POSTAL FORMS**

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

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

**PARTICIPATING IN THE MEETING****Corporate Representative**

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at [www.investorcentre.com/au](http://www.investorcentre.com/au) and select "Printable Forms".

**Lodge your Proxy Form:****XX****Online:**

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

**Control Number: 999999****SRN/HIN: I999999999****PIN: 99999**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

**By Fax:**

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

☐

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Epsilon Healthcare Limited hereby appoint

☐

the Chairman  
of the Meeting

OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Epsilon Healthcare Limited to be held as a virtual meeting on Tuesday, 31 May 2022 at 2:00pm (Sydney time) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

### Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Non-binding resolution to adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ordinary Resolution to Elect Simon Rowe as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ordinary Resolution to Elect Robert Jenny as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ordinary Resolution to Ratify December 2021 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ordinary Resolution to Ratify May 2022 Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ordinary Resolution to Approve Issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ordinary Resolution to Approve Issue of Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Special Resolution to Approve Additional 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

EPN

2 8 7 5 4 3 A



Computershare

