



US: 350 W Phillips Road Greer, SC 29650 USA

AU: Level 7, 330 Collins Street Melbourne, Victoria, 3000

FOR IMMEDIATE RELEASE: ASX | 14 OCTOBER 2022

2022 Annual General Meeting

Sydney (Australia), Greer (South Carolina, US) – 14 October 2022: In accordance with ASX Listing Rule 3.17, attached are the following documents:

- 1. A Letter to Shareholders regarding arrangements for the 2022 Annual General Meeting as dispatched to Shareholders in lieu of the Notice of Meeting;
- 2. Notice of Annual General Meeting; and
- 3. Proxy Form.

Mark Licciardo Company Secretary

ENDS

Authorised for release by the Company Secretary of Alexium International Group Limited.

About Alexium International Group Limited

Alexium International Group Limited (ASX: AJX) is a performance chemicals provider for advanced materials applications with a focus on flame retardancy and thermal management. The Company is driven by an innovation model for addressing market gaps with patent-protected technologies. These environmentally friendly solutions have applications for several industries and can be customized to meet customer needs. Key markets for Alexium are military uniforms, workwear, and bedding products. Alexium brands include Alexicool® and Alexiflam®. For additional information about Alexium, please visit www.alexiuminternational.com.



14 October 2022

Alexium International Group Limited (ASX: AJX) - Annual General Meeting 2022

Dear Shareholder

Alexium International Group Limited (ASX: AJX) ("Alexium" or "the Company") is pleased to invite shareholders to attend the Annual General Meeting ("AGM" or "the Meeting") to be held on Wednesday, 16 November 2022 at 10:30am (AEDT) at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney NSW 2000.

Meeting Materials

The notice of AGM, the accompanying Explanatory Memorandum and the Proxy Form ("Meeting Materials") are being made available to shareholders electronically.

You can access the Meeting Materials using the following link: https://www.alexiuminternational.com/ Alexium's 2022 Annual Report can be accessed by using the same link.

Voting

Shareholders are strongly encouraged to submit their Proxy Forms as soon as possible. To lodge your Proxy Form online, please visit https://investor.automic.com.au/#/loginsah.

For your voting instructions to be valid and counted towards this Meeting, please ensure that your online lodgement is received no later than 10:30am (AEDT) on Monday, 14 November 2022.

Voting instructions received after this time will not be valid for the scheduled Meeting.

As a valued shareholder of the Company, we look forward to your participation in the Meeting.

Mark Licciardo Company Secretary

ALEXIUM INTERNATIONAL GROUP LIMITED ACN 064 820 408 NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:30 am (AEDT)

DATE: Wednesday, 16 November 2022

VENUE: Grant Thornton

Level 17

383 Kent Street Sydney NSW 2000

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

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7:00 pm (AEDT) on Monday, 14 November 2022.

LETTER TO SHAREHOLDERS

Dear Shareholders,

I am pleased to invite you to the 2022 Annual General Meeting (AGM) of Alexium International Group Limited to be held at the offices of Grant Thornton, Level 17, 383 Kent Street, Sydney NSW 2000 on 16 November 2022 at 10:30 am (AEDT).

If you are not able to attend the meeting, you are encouraged to vote by:

- Completing and lodging the enclosed proxy form by 10:30 am (AEDT) on 14 November 2022; or
- Registering your proxy electronically by visiting the following website: https://investor.automic.com.au/#/home
- A detailed summary of the activities of the Company over the last 12 months is contained in the Annual Report which will be mailed to those shareholders who have elected to receive a printed copy of this document. A copy of this document has been lodged with the ASX and available on the Company's website at: http://alexiuminternational.com/invest-in-alexium.

The Board and Alexium team thank you for your support and look forward to welcoming you to the 2022 AGM.

Yours sincerely

Rosheen Garnon
Non-Executive Chair

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022."

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

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

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR SIMON MOORE

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

"That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Mr Simon Moore, a Director, retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – DR ROBERT BROOKINS

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

"That, for the purpose of clause 14.2 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Dr Robert Brookins, a Director, retires by rotation, and being eligible, is re-elected as a Director."

5. RESOLUTION 4 – GRANT OF FINANCIAL YEAR ENDING 30 JUNE 2022 SHARE APPRECIATION RIGHTS TO RELATED PARTY- DR ROBERT BROOKINS

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

"That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval is given for the Company to issue 6,871,445 Share Appreciation Rights to Dr Robert Brookins (or his nominee) for the 12-month period 1 July 2021 to 30 June 2022 on the terms and conditions as set out in the Explanatory Memorandum."

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

6. RESOLUTION 5 - GRANT OF FINANCIAL YEAR ENDING 30 JUNE 2023 SHARE APPRECIATION RIGHTS TO RELATED PARTY- DR ROBERT BROOKINS

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

"That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval is given for the Company to issue 6,505,703 Share Appreciation Rights to Dr Robert Brookins (or his nominee) for the 12-month period 1 July 2022 to 30 June 2023 on the terms and conditions as set out in the Explanatory Memorandum."

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

7. RESOLUTION 6 - GRANT OF FINANCIAL YEAR ENDING 30 JUNE 2023 SHARE APPRECIATION RIGHTS TO RELATED PARTY- MR WILLIAM BLACKBURN

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

"That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval is given for the Company to issue 6,712,233 Share Appreciation Rights to Mr William Blackburn (or his nominee) for the period 1 September 2022, being the date of commencement of employment, to 30 June 2023 on the terms and conditions as set out in the Explanatory Memorandum."

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

8. RESOLUTION 7 - GRANT OF ADDITIONAL SHARE APPRECIATION RIGHTS TO RELATED PARTY - MR WILLIAM BLACKBURN

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

"That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval is given for the Company to issue 16,131,415 additional Share Appreciation Rights to Mr William Blackburn (or his nominee), on the terms and conditions as set out in the Explanatory Memorandum."

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

9. RESOLUTION 8 – APPROVAL OF EMPLOYEE SECURITIES INCENTIVE PLAN

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

"That, for the purpose of ASX Listing Rule 7.2 (Exception 13(b)) and for all other purposes, Shareholders approve the Company's Employee Securities Incentive Plan and for the issue of securities under that plan on the terms and conditions as set out in the Explanatory Memorandum."

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

10. RESOLUTION 9 – ISSUE OF SHARES TO NON- EXECUTIVE DIRECTOR AS BOARD DIRECTOR FEES – MR SIMON MOORE

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

"That, subject to the passing of Resolution 8, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Mr Simon Moore or his nominee, such number of Shares calculated on a monthly basis as the annual director's fee value of US\$70,000 divided by 12 then divided by the VWAP for the relevant month of service multiplied by the then AUD-USD exchange rate in lieu of US\$70,000 of his cash remuneration for the 12-month period 1 July 2022 to 30 June 2023 on the terms and conditions as set out in the Explanatory Memorandum."

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

11. RESOLUTION 10 – ISSUE OF SHARES TO NON- EXECUTIVE DIRECTOR/CHAIR AS BOARD DIRECTOR/CHAIR FEES – MS ROSHEEN GARNON

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

"That, subject to the passing of Resolution 8, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue to Ms Rosheen Garnon or her nominee, such number of Shares calculated on a monthly basis as the annual director's fee value of US\$89,500 divided by12 then divided by the VWAP for the relevant month of service multiplied by the then AUD-USD exchange rate in lieu of US\$89,500 of her cash remuneration for the 12-month period 1 July 2022 to 30 June 2023 on the terms and conditions as set out in the Explanatory Memorandum."

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

12. RESOLUTION 11 – AMENDMENT TO CONSTITUTION

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

"That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its Constitution to include new provisions as set out in the Explanatory Memorandum."

13. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT FACILITY

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

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal 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 otherwise on the terms and conditions set out in the Explanatory Memorandum."

Dated: 14 October 2022

By order of the Board

Mark Licciardo Company Secretary

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Voting Prohibition Statements

Resolution 1 - Adoption of A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons: **Remuneration Report** a member of the Key Management Personnel, details of whose (a) remuneration are included in the Remuneration Report; or a Closely Related Party of such a member. (b) However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either: the voter is appointed as a proxy by writing that specifies the way the (a) proxy is to vote on this Resolution; or (b) the voter is the Chair and the appointment of the Chair as proxy: does not specify the way the proxy is to vote on this Resolution; and (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management A person appointed as a proxy must not vote, on the basis of that Resolutions 4 to 7 – Issue of appointment, on this Resolution if: **Share Appreciation Rights to** (a) the proxy is either: **Director** a member of the Key Management Personnel; or a Closely Related Party of such a member; and (ii) (b) the appointment does not specify the way the proxy is to vote on this Resolution. However, the above prohibition does not apply if: the proxy is the Chair; and (a) the appointment expressly authorises the Chair to exercise the (b) proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel. A person appointed as a proxy must not vote, on the basis of that Resolution 8 - Adoption of appointment, on this Resolution if: **Employee Securities** (a) the proxy is either: **Incentive Plan** a member of the Key Management Personnel; or (ii) a Closely Related Party of such a member; and the appointment does not specify the way the proxy is to vote on (b) this Resolution. However, the above prohibition does not apply if: the proxy is the Chair; and (a) (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel. In accordance with section 224 of the Corporations Act, a vote on this Resolutions 9 and 10 – Issue Resolution must not be cast (in any capacity) by or on behalf of a related of Shares to Directors party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party (Excluded Party). However, the above prohibition does not apply if the vote is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is not cast on behalf of an Excluded Party. In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if: (a) the proxy is either: (i) a member of the Key Management Personnel; or a Closely Related Party of such a member; and (ii) (b) the appointment does not specify the way the proxy is to vote on

this Resolution.

Provided the Chair is not a Excluded Party, the above prohibition does not apply if:
(a) the proxy is the Chair; and (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Voting Exclusion Statements

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

Resolution 4 and 5 – Issue of Share Appreciation Rights to Director – Dr Robert Brookins	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Dr Robert Brookins) or an associate of that person or those persons.
Resolutions 6 and 7 – Issue of Share Appreciation Rights to Director – William Blackburn	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including William Blackburn) or an associate of that person or those persons.
Resolution 8 – Adoption of Employee Securities Incentive Plan	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.
Resolution 9 – Issue of Shares in lieu of salary to Director – Simon Moore	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Simon Moore) or an associate of that person or those persons.
Resolution 10 – Issue of Shares in lieu of salary to Director – Rosheen Garnon	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including Rosheen Garnon) or an associate of that person or those persons.

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

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

Voting 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 by the time and in accordance with the instructions set out on the Proxy Form.

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

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or

number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

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

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 3 8689 9997.

EXPLANATORY MEMORANDUM

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

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report will be available on its website at http://alexiuminternational.com/invest-in-alexium.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

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

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year. The Company's 2022 Remuneration Report can be found at pages 9 to 13 of the Company's 2022 Annual Report.

The Chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the Annual General Meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those Annual General Meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those Annual General Meetings.

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

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

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous Annual General Meeting, the votes cast against the remuneration report were less than 25%.

2.4 Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in Remuneration Report, the Board recommends that shareholders vote in favour of this Resolution.

3. RESOLUTION 2 - RE-ELECTION OF DIRECTOR - MR SIMON MOORE

3.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an Annual General Meeting.

Simon Moore, who has served as a director since 1 February 2020, retires by rotation and seeks re-election.

3.2 Qualifications

Mr Moore is the Senior Partner of the investment firm, Colinton Capital Partners. Prior to establishing Colinton Capital Partners in 2017, Mr Moore was a Global Partner of The Carlyle Group having established their operation in Australia in 2005. In his time at The Carlyle Group, he oversaw the Firm's investments in and served on the Boards of Directors of Coates Hire, Healthscope and Qube.

Mr Moore has been the Deputy Chair of AMA Group since November 2018.

3.3 Board recommendation

The Board (abstain Simon Moore) supports the election of Mr Moore and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – DR ROBERT BROOKINS

4.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an Annual General Meeting.

Dr Robert Brookins, who has served as a director since 12 July 2018, retires by rotation and seeks re-election.

4.2 Qualifications

Dr Brookins has more than 15 years of experience in organic synthesis and materials chemistry. He received his PhD from the University of Florida in the areas of synthesis and characterisation of conjugated polyelectrolytes and polymers with an emphasis on developing new polymerisation methods. Upon completion of his PhD, he worked at the US Air Force Research Laboratory at Tyndall AFB, FL where he developed decontamination methods for chemical and biological threats and developed novel synthetic routes for reactive and

functional surfaces. In 2010, Dr Brookins joined Alexium where he and his team pioneered new classes of flame-retardants for key textile markets. Additionally, his research focuses on phase change materials, particularly novel application methods and analytical tools.

Dr Brookins has been instrumental in the research and development of the Company's innovative technologies. Dr Brookins led the development and commercialisation of Alexium's phase change material (PCM) platform technologies and the Alexicool® product line, which is the foundation of the Company's success in the bedding and top-of-bed markets.

Dr Brookins has, during his time with the Company, been involved in multiple facets of the business, including working with customers on product design and marketing, analysing markets to assess opportunities, and planning for logistics and supply-chain management. In addition, Dr Brookins co-invented Alexium's flame-retardant (FR) technologies for military uniforms and formaldehyde-free, flame-retardant products for cotton-based materials. Dr Brookins has been immersed in the operations and strategy of the business and has gained significant experience working within the senior leadership team of the Company.

4.3 Board recommendation

The Board (**abstain Dr Robert Brookins**) supports the election of Dr Brookins and recommends that Shareholders vote **in favour** of Resolution 3.

5. RESOLUTIONS 4 AND 5 – GRANT OF SHARE APPRECIATION RIGHTS TO DR ROBERT BROOKINS

5.1 Introduction

Resolutions 4 and 5 seek shareholder approval to issue and allot a maximum of 13,377,148 Share Appreciation Rights pursuant to the Company's SAR Plan to Dr Robert Brookins as follows:

- (a) 6,871,445 Share Appreciation Rights for the Financial Year ended 30 June 2022; and
- (b) 6,505, 703 Share Appreciation Rights for the Financial Year ending 30 June 2023,

(together, the **Share Appreciation Rights**)

A summary of the terms and conditions of the SAR Plan is set out in Schedule 1.

Share Appreciation Rights:

- (a) vest to the holders based on the achievement of milestones (described in Schedule 1); and
- (b) convert into Shares based on a formula that takes into account the appreciation of the price of the Company's Shares from the grant date to the Closing Date (described in Schedule 1).

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

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

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

The issue of the Share Appreciation Rights to Dr Brookins (or his nominee) constitutes giving a financial benefit and Dr Brookins is a related party of the Company by virtue of being a Director.

The Directors (other than Dr Brookins) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Share Appreciation Rights, because the agreement to issue the Share Appreciation Rights, agreed as a means of a cashless incentive to Dr Brookins in his former and ongoing roles with the Company, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

5.2 Requirement for Shareholders' approval - ASX Listing Rule 10.14

While the Board can make offers to issue the Share Appreciation Rights under the SAR Plan, a grant of such Share Appreciation Rights is not able to proceed to a related party until after Shareholders' approval is obtained under ASX Listing Rule 10.14.

ASX Listing Rule 10.14 provides that an entity must not permit a director of that entity to acquire securities under an employee incentive scheme without the approval of the members in a general meeting, where the applicable notice of meeting complies with requirements under ASX Listing Rule 10.15.

Resolutions 4 and 5 seek shareholders' approval under ASX Listing Rule 10.14 to grant the applicable Share Appreciation Rights.

If approval from shareholders is obtained in accordance with ASX Listing Rule 10.14, exception 14 of ASX Listing Rule 7.2 will apply so that the issue of Shares will not use the Company's 15% Placement Capacity.

If either of Resolutions 4 or 5 are not passed, the Company will not be able to proceed with the grant of those relevant Share Appreciation Rights to Dr Robert Brookins who will continue to be paid cash bonus services, including outstanding fees owing to them from the respective periods, and ongoing from that date and will be subject to same terms and conditions of Share Appreciation Rights for vesting and exercise.

5.3 Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 4 and 5:

(a) The Share Appreciation Rights will be issued to Dr Robert Brookins (or his nominee). Dr Brookins falls within Listing Rule 10.14.1 by virtue of being a Director.

- (b) The maximum number of Share Appreciation Rights to be granted are as follows:
 - (i) 6,871,445 Share Appreciation Rights under Resolution 4; and
 - (ii) 6,505,703 Share Appreciation Rights under Resolution 5.
- (c) The remuneration package for Dr Brookins for the FY22 year was US\$315,000 comprising of salary of US\$315,000 and no short term incentive.
 - If the Share Appreciation Rights for the FY 22 are issued, the total remuneration package of Dr Brookins will increase by \$220,500 to \$535,500, being the value of the Share Appreciation Rights (based on the Black Scholes methodology).
- (d) the current (FY23) total remuneration package for Dr Brookins is US\$409,500, comprising of salary of US\$315,000, and a potential short-term incentive payment of US\$94,500.
 - If the Share Appreciation Rights for the FY 23 are issued, the total remuneration package of Dr Brookins will increase by US\$47,452 to US\$456,952, being the value of the Share Appreciation Rights (based on the Black Scholes methodology).
- (e) As of the date of this Notice, Dr Robert Brookins (or his nominee) had received 6,505,703 Share Appreciation Rights under the SAR Plan, approved by the shareholders at the 2021 annual general meeting. The SARs were issued at nil consideration and the fair value at issuance was US\$0.0339.
- (f) The material terms of the Share Appreciation Rights are set out in Schedule 1. Full terms of the Share Appreciation Rights Plan is available on the Company website, https://www.alexiuminternational.com/investor-relations/
- (g) It is expected that the Share Appreciation Rights will be issued within one month after the shareholder approval is obtained and, in any event, no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Share Appreciation Rights will be issued on one date.
- (h) The Share Appreciation Rights will be capable of conversion in to a number of Shares in the Company based on the formula set out in the SAR Plan (summarised in Schedule 1).
- (i) The Share Appreciation Rights are being issued so that the incentives for the executive (Dr Brookins) are reflective of the value appreciation in the Company's Shares from the date of issue of the Share Appreciation Rights.
- (j) The Share Appreciation Rights will be issued for nil cash consideration and no cash consideration will be payable upon the vesting of the Share Appreciation Rights or the subsequent issue of Shares (if any).
- (k) Subject to the Corporations Act and ASX Listing Rules, any full time or parttime employee or a casual employee, or officer or Director (Executive

- and Non-Executive) of the Company and any associate body corporate is entitled to participate in the SAR Plan.
- (I) There will be no loan made to the person(s) in relation to the issue of Share Appreciation Rights.
- (m) Details of any securities issued under the SAR Plan will be published in the Annual Report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (n) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the SAR Plan, after this resolution is approved, and who are not named in this Notice of Meeting, will not participate until approval is obtained under that rule.

5.4 Board recommendation

The Board (**excluding Dr Robert Brookins**) recommends that Shareholders vote in favour of Resolutions 4 and 5.

6. RESOLUTIONS 6 AND 7 – GRANT OF SHARE APPRECIATION RIGHTS TO WILLIAM BLACKBURN

6.1 Introduction

Resolutions 6 and 7 seek approval for the issue of Share Appreciation Rights to William Blackburn as follows:

- (a) 6,712,233 pursuant to Resolution 6 to cover the period from his commencement as CEO on 1 September 2022 to 30 June 2023; and
- (b) 16,131,415 as a one-off grant as part of Mr Blackburn's initial terms for becoming the CEO of the Company.

A summary of the terms and conditions of the SAR Plan is set out in Schedule 1.

Share Appreciation Rights:

- (a) vest to the holder based on the achievement of milestones (described in Schedule 1); and
- (b) convert into Shares based on a formula that takes into account the appreciation of the price of the Company's Shares from the grant date to the Closing Date (described in Schedule 1).

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

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

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

The issue of the Share Appreciation Rights to Mr Blackburn (or his nominee) constitutes giving a financial benefit and Mr Blackburn is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Blackburn) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Share Appreciation Rights, because the agreement to issue the Share Appreciation Rights, agreed as a means of a cashless incentive to Mr Blackburn in his role with the Company, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

6.2 Requirement for Shareholders' approval - ASX Listing Rule 10.14

While the Board can make offers to issue the Share Appreciation Rights under the SAR Plan, grant is not able to proceed until after Shareholders' approval is obtained under ASX Listing Rule 10.14.

ASX Listing Rule 10.14 provides that an entity must not permit a director of that entity to acquire securities under an employee incentive scheme without the approval of the members in a general meeting, where the applicable notice of meeting complies with requirements under ASX Listing Rule 10.15.

Resolutions 6 and 7 seek shareholders' approval under ASX Listing Rule 10.14 to grant the Share Appreciation Rights to Mr William Blackburn (or his nominee).

If approval from Shareholders is obtained in accordance with ASX Listing Rule 10.14, exception 14 of ASX Listing Rule 7.2 will apply so that the issue of Share Appreciation Rights will not use the Company's 15% Placement Capacity.

If Resolutions 6 and 7 are not passed, the Company will not be able to proceed with the grant of the Share Appreciation Rights to Mr William Blackburn and may need to identify other incentive structures to incentivise Mr Blackburn in his role as the CEO of the Company.

6.3 Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolution 6:

- (a) The Share Appreciation Rights will be issued to Mr William Blackburn, the Chief Executive Officer and Managing Director of the Company (appointed 1 September 2022). Mr Blackburn may appoint a nominee to receive the Share Appreciation Rights on his behalf. Mr Blackburn falls within Listing Rule 10.14.1 by virtue of being a Director.
- (b) The maximum number of Share Appreciation Rights to be granted to Mr Blackburn is:
 - (i) 6,712,233 under Resolution 6; and
 - (ii) 16,131,415 under Resolution 7.
- (c) the current total remuneration package for Mr Blackburn is US\$422,500, comprising of salary of US\$325,000, and a potential short term incentive payment of US\$97,500.
- (d) If the Share Appreciation Rights under Resolution 6 are issued, the total remuneration package of Mr Blackburn will increase by US\$48,958 to

- US\$471,458, being the value of the Share Appreciation Rights (based on the Black Scholes methodology).
- (e) If the Share Appreciation Rights under Resolution 7 are issued, the total remuneration package of Mr Blackburn will increase by US\$115,147, being the value of the Share Appreciation Rights (based on the Black Scholes methodology).
- (f) In addition to the proposed grant noted in Resolutions 6 and 7 above, Mr William Blackburn, (or his nominee), has not received any Share Appreciation Rights under the SAR Plan.
- (g) The material terms of the Share Appreciation Rights are set out in Schedule 1. Full terms of the Share Appreciation Rights Plan is available on the Company website, https://www.alexiuminternational.com/investor-relations/
- (h) It is expected that the Share Appreciation Rights will be issued within one month after the shareholder approval is obtained and, in any event, no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Share Appreciation Rights will be issued on one date.
- (i) The Share Appreciation Rights will be capable of conversion into a number of Shares in the Company based on the formula set out in the SAR Plan (summarised in Schedule 1).
- (j) The Share Appreciation Rights are being issued so that the incentives for the executive (Mr Blackburn) are reflective of the value appreciation in the Company's Shares from the date of issue of the Share Appreciation Rights.
- (k) The Share Appreciation Rights will be issued for nil cash consideration and no cash consideration will be payable upon the vesting of the Share Appreciation Rights or the subsequent issue of Shares (if any).
- (I) Subject to the Corporations Act and ASX Listing Rules, any full time or parttime employee or a casual employee, or officer or Director (Executive and Non-Executive) of the Company and any associate body corporate is entitled to participate in the SAR Plan.
- (m) There will be no loan made to the person(s) in relation to the issue of Share Appreciation Rights.
- (n) Details of any securities issued under the SAR Plan will be published in the Annual Report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- (o) Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the SAR Plan, after this resolution is approved, and who are not named in this Notice of Meeting, will not participate until approval is obtained under that rule.

6.4 Board Recommendation

The Board (**excluding Mr William Blackburn**) recommends that Shareholders vote in favour of Resolutions 6 and 7.

7. RESOLUTION 8 – APPROVAL OF EMPLOYEE INCENTIVE PLAN

7.1 General

Resolution 8 seeks Shareholder approval for the adoption of the employee incentive scheme titled "Employee Securities Incentive Plan" (**Plan**) and for the issue of up to a maximum of 30,000,000 securities under the Incentive Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The Company existing incentive share plan was last approved in 2019, and given recent changes to the Corporations Act, the Board considers it to be prudent to adopt a new employee incentive plan to run alongside the existing SAR Plan.

The objective of the Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Plan and the future issue of securities under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

7.2 Listing Rule 7.1 and Listing Rule 7.2 Exception 13(b)

Broadly speaking, and subject to a number of exceptions set out in Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

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

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

If Resolution 8 is passed, the Company will be able to issue securities under the Plan to eligible participants over a period of 3 years from the date of the Meeting. The issue of any securities to eligible participants under the Plan (up to the maximum number of securities stated in Section 13(b) below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

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

If Resolution 8 is not passed, the Company will be able to proceed with the issue of securities under the Plan to eligible participants, but any issues of securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of those securities.

7.3 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 8:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 2.
- (b) the Company has not issued any securities under the Plan as this is the first time that Shareholder approval is being sought for the adoption of the Plan.
- (c) The Company is seeking Shareholder approval to adopt the Plan to:
 - (i) allow the Company to have the option to issue Shares, Options and Performance Rights; and
 - (ii) include the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme).
- (d) the maximum number of securities proposed to be issued under the Plan in reliance on Listing Rule 7.2 (Exception 13(b)), is 30,000,000 securities. It is not envisaged that the maximum number of securities for which approval is sought will be issued immediately.

8. RESOLUTIONS 9 AND 10 – ISSUE OF SHARES TO NON-EXECUTIVE DIRECTORS AS BOARD DIRECTOR/CHAIR FEES – MR SIMON MOORE AND MS ROSHEEN GARNON

8.1 Background

Mr Simon Moore and Ms Rosheen Garnon, executed Letters of Appointment with the Company in January 2020 and September 2018 respectively, pursuant to which the Directors agreed to provide services to the Company as a Non-Executive Directors.

By virtue of being a Key Management Personnel of the Company Mr Moore and Ms Garnon are considered as related parties.

In consultation with the Board, each of Mr Moore and Ms Garnon has indicated that they are willing to accept their remuneration as Shares in the Company, as a means of preserving the Company's cash, and as an indication in their longer term belief in the Company's progress and development.

The Company is seeking shareholder approval for all purposes, including ASX Listing Rules 10.14, for the grant of the relevant fully paid ordinary shares to Mr Moore and Ms Garnon, considered as related parties under Listing Rules 10.14.1, being non-executive directors.

Resolutions 9 and 10 are subject to the approval for the adoption of the Plan the subject of Resolution 8. If Resolution 8 is not passed, the issue of Shares under Resolutions 9 and 10 will not be able to be made, and the payment of Directors' fees to Mr Moore and Ms Garnon will need to be paid in cash.

8.2 Chapter 2E of the Corporations Act

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

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

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

The issue of the Shares to Mr Moore and Ms Garnon (or their nominee) constitutes giving a financial benefit and each of Mr Moore and Ms Garnon are related parties by virtue of being Directors.

The Directors (other than Mr Moore in relation to Resolution 9 and Ms Garnon in relation to Resolution 10) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Shares, because the issue of the Shares represents reasonable remuneration on the basis that it replaces cash payments that the parties are entitled to be paid as Directors of the Company.

8.3 Technical information required by Listing Rule 14.1A

If Resolutions 9 and 10 are passed, the Company will be able to proceed with the issue of the Shares in lieu of remuneration to each of Mr Moore and Ms Garnon under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the Shares (because approval is being obtained under Listing Rule 10.14), the issue of the Shares will not use up any of the Company's 15% annual placement capacity.

If either of Resolutions 9 and 10 are not passed, the Company will not be able to proceed with the issue of the Shares, and the ongoing remuneration for the relevant Director for the Financial Year ending 30 June 2023 will need to be paid in cash.

8.4 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with the requirements of Listing Rule 10.15, the following information is provided in relation to Resolutions 9 and 10:

- (a) the Shares will be issued to Mr Simon Moore (under Resolution 9) and Ms Rosheen Garnon (under Resolution 10) (or their respective nominees), who each falls within the category set out in Listing Rule 10.14.1, by virtue of being a Directors.
- (b) the maximum number of Shares to be issued shall be calculated monthly on the basis of the following formula:

Shares earned per month = (TR/12) divided by the VWAP

Where:

TR = the total remuneration for each of Mr Moore and Ms Garnon, which is: US\$70,000 per annum for Mr Moore and US\$89,500 per annum for Ms Garnon

VWAP = the 5-day volume weighted average price over the last five trading days of the month in which the Shares are issued.

- (c) the current total remuneration package for Mr Moore is is US\$70,000, comprising of directors' fees of US\$70,000. The issue of the Shares under Resolution 9 is intended to be issued in lieu of Directors' fees and so is not in addition to the existing remuneration package.
- (d) the current total remuneration package for Mrs Garnon is US\$100,000, comprising of directors' fees of US\$89,500 and a superannuation payment of US\$10,500. The issue of the Shares under Resolution 10 is intended to be issued in lieu of Directors' fees and so is not in addition to the existing remuneration package.
- (e) as this is the first time that the Shareholder approval is being sought for the adoption of the Plan, no Securities have been previously issued under the Employee Incentive Plan.
- (f) a summary of the material terms and conditions of the Plan is set out in Schedule 2;
- (g) the Shares issued will be issued on the same terms and conditions as the Company's existing Shares.
- (h) The Company has chosen to issue the Shares under Resolutions 9 and 10 primarily as a means by which the Company can continue to pay its Directors for their role in acting as Directors of the Company while preserving the Company's cash for use on the growth of the Company's business opportunities.
- (i) the value of the Shares issued will be equal to the monthly Directors' fees at the time of issue, as the Shares will be issued in lieu of those fees.
- (j) the Shares will be accrued at the end of each month and issued shortly after the completion of each calendar half ending 31 December and 30 June for the current calendar year. In any event, the Shares will all be issued no later than 3 years after the date of the Meeting.
- (k) the issue price of the Shares will be calculated using the 5-day VWAP over the last five trading days of each calendar month.
- (I) a summary of the material terms and conditions of the Performance Rights Plan is set out in Schedule 2.
- (m) no loan is being made for the issue of the Shares.
- (n) details of the Shares issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (o) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Securities under the Plan after Resolutions 9 and 10 are approved and who were not named in this

9. RESOLUTION 11 – AMENDMENT TO CONSTITUTION

9.1 General

A Company may modify or repeal its Constitution or a provision of its Constitution by a Special Resolution of Shareholders.

Resolution 11 seek shareholder approval to amend its Constitution. Summary of proposed amendments:

• Virtual or hybrid General Meetings

The recent passing of the Corporations Amendment (Meetings and Documents) Bill 2021 provides for companies to use technology to hold meetings, including hybrid meetings, on a permanent basis and wholly virtual meetings if this is expressly permitted or required by the constitution.

The Company's Constitution does not expressly permit wholly virtual meetings. Resolution 9 proposes to amend the Company's Constitution to allow for wholly virtual meetings and hybrid meetings in the future, which provides the Company flexibility in the conduct of its General Meetings and encourages greater shareholder participation.

The changes will enable the Company to hold general meetings physically, virtually or using a hybrid structure. Where the Company holds a virtual or hybrid general meeting using virtual meeting technology, the amendments require that the shareholders as a whole are allowed a reasonable opportunity to participate in the meeting, both orally and in writing. The amendments permit the Chair of the meeting to adjourn the meeting in the event that a technical difficulty prevents the shareholders as a whole from participating in the meeting.

• Electronic sending of notices and other documents

The changes will enable the Company to send a document to shareholders by sending shareholders sufficient information in electronic form to allow them to access the document electronically.

For example, the Company will be able to send emails to shareholders containing an electronic link to the document, rather than attaching the document directly to an email. This will benefit the Company when the Company does not wish to send the document by post and the file size of the document is large.

Rotation of Directors

Amendment of clause in relation to rotation of Directors in order to align with the current provisions of the Listing Rules.

The proposed changes are as follows:

Clause 14: Use of Technology (Addition)

14.1 Use of Technology

- (a) To the extent permitted under the Corporations Act, Listing Rules and any other applicable law, a general meeting may be convened using virtual technology only, or at two or more venues, provided that the form of technology used provides all shareholders entitled to attend the meeting, as a whole, a reasonable opportunity to participate in the meeting without being physically present in the same place.
- (b) The provisions of this Constitution relating to general meetings apply, so far as they can and with any necessary changes to ensure compliance with the Corporations Act, Listing Rules and any other applicable law, to general meetings held using that technology.
- (c) Where a general meeting is held using virtual technology only or at two or more venues using any form of technology:
 - (i) a Shareholder participating in the meeting is taken to be present in person at the meeting;
 - (ii) any documents required or permitted to be tabled at the meeting will be taken to have been tabled at the meeting if the document is given, or made available, to the persons entitled to attend the meeting (whether physically or using technology) before or during the meeting; and
 - (iii) the meeting is taken to be held at the physical venue set out in the notice of meeting, or at the registered office of the Company if the meeting is held using virtual technology only.

14.2 Communication of meeting documents

To the extent permitted under the Corporations Act, Listing Rules and any other applicable law, any document that is required or permitted to be given to a Shareholder that relates to a Shareholders' meeting (including, but not limited to, the notice of meeting) may be distributed:

- (a) by means of electronic communication; or
- (b) by giving the Shareholder (by means of an electronic communication or otherwise) sufficient information to allow the person to access the document electronically,

in accordance with the Corporations Act.

Clause 15.2 – Rotation of Directors (Addition)

- (a) A Director must not hold office without re-election:
 - (i) past the third annual general meeting following the Director's appointment or last election; or
 - (ii) for more than three years,

whichever is longer.

(b) There must be an election of Directors at each annual general meeting of the Company. This can be satisfied by one or more of the

following so long as the maximum number of Directors set by the Company in general meeting (if applicable) is not exceeded:

- (i) a person standing for election as a new Director having nominated in accordance with clause 15.3;
- (ii) any Director who was appointed under clause 15.4 standing for election as a Director:
- (iii) any Director who is retiring at the end of the annual general meeting due to clause 15.2(a), standing for re-election; or
- (iv) if no person or Director is standing for election or re-election in accordance with clauses (i) to (iii) above, then the Director who has been a Director for the longest without re-election must retire and stand for re-election. If two or more Directors have been a Director the longest and an equal time without re-election, then in default of agreement, the Director to retire will be determined by ballot.
- (c) This clause does not apply to one Managing Director who is exempt from retirement and re-election in accordance with clause 19.1.

This clause only applies while the Company is on the official list of ASX.

Prior to the Meeting, a copy of the Amended Constitution is available for review by shareholders at the Company's registered office during normal business hours and a copy of the Amended Constitution can be sent to Shareholders of the Company upon a request being made to the Company Secretary.

A complete signed copy of the Amended Constitution will be tabled at the Meeting.

Resolution 11 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

10. RESOLUTION 12 – APPROVAL OF 10% PLACEMENT FACILITY

10.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (7.1A Mandate).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less.

The Company is an eligible entity for these purposes.

Resolution 12 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval

If Resolution 12 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 12 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

10.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 12:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expiring on the first to occur of the following:

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

(b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 13(b)(i), the date on which the Equity Securities are issued.

(c) Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for working capital and acquisition of materials or new asset opportunities consistent with the Company's existing business operations.

(d) Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 12 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

		Dilution			
Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	\$0.011 50% decrease	\$0.022 Issue Price	\$0.044 50% increase
			Funds Raised		
Current	645,256,590	64,525,659	709,782	1,419,564	2,839,129
50% Increase	967,884,885	96,788,489	1,064,673	2,129,347	4,258,693
100% Increase	1,290,513,180	129,051,318	1,419,564	2,839,129	5,678,258

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

The table above uses the following assumptions:

- 1. There are currently 645,256,590 Ordinary Fully Paid Shares.
- 2. The table does not include any Ordinary Fully Paid Shares to be issued pursuant to Resolutions 9 and 10 of this Notice;
- 3. The issue price set out above is the closing market price of the Shares on the ASX on 21 September 2022;
- 4. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate;
- 5. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1;
- 6. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities;
- 7. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should

- consider the dilution caused to their own shareholding depending on their specific circumstances;
- 8. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed;
- 9. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%; and
- 10. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meetina.

Shareholders should note that there is a risk that:

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

(e) Allocation policy under the 7.1A Mandate

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) Previous approval under Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 17 November 2021 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 17 November 2021, the Company has not issued any Equity Securities pursuant to the Previous Approval.

10.3 Board recommendation

	The Board r	ecommends	that Shareholders	vote in favour	of Resolution 10.
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As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

GLOSSARY

AUS means Australian dollars.

US\$ means US dollars.

10% Placement Facility has the meaning given in Resolution 10.

AEDT means Australian Eastern Daylight Time as observed in Sydney, New South Wales.

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

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Alexium International Group Limited (ACN 064 820 408).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

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

(a) is not included in the S&P/ASX 300 Index; and

(b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

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

Managing Director means the managing director of the Company who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office.

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

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

Plan means the Employee Incentive Plan summarised in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2022.

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

Section means a section of the Explanatory Memorandum.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

SCHEDULE I - SUMMARY OF TERMS OF SHARE APPRECIATION RIGHTS PLAN (SAR PLAN) (REFERENCE TO RESOLUTIONS 4, 5, 6 AND 7)

The key terms of the Share Appreciation Rights Plan are as follows:

The plan was adopted and approved by the board of directors to replace the performance rights plan.

The objective of the plan is to:

- (a) provide an incentive and to reward, retain and motivate participants.
- (b) recognise the abilities, efforts, and contributions of participants to the performance and success of the Group; and
- (c) provide participants with the opportunity to acquire or increase their ownership interest in the Group.

Vesting conditions for the relevant awards:

- (a) Resolution 4: 25% compounded annual growth rate ("CAGR") on the opening share price over a three-year term. Opening share price is determined as the 20-day volume weighted average price ("VWAP") from the lodgement of the annual report for the purpose of this grant. Fully vested target price is defined as the 20-day VWAP from lodgement of the annual report three years after. Partial vesting begins at 10% CAGR and pays 33% of the of the total Share Appreciation Rights (SARs) grants. CAGR achieved between 10% and 25% vest SAR grants on a linear scale between 33% and 100%.
- (b) Resolutions 5 and 6: 78.5% compounded annual growth rate ("CAGR") on the opening share price over a three-year term. Opening share price is determined as A\$0.03 for the purpose of this grant. Fully vested target price is defined as the 20-day VWAP from lodgement of the annual report three years after issuance of the SARs. Partial vesting begins at 46.5% CAGR and pays 10% of the total Share Appreciation Rights (SARs) grants. Share price CAGR achieved between 46.5% and 78.6% vest SAR grants on a linear scale between 10% and 100%.
- Resolution 7: 25% of the award vesting based on time served and 75% vesting upon the achievement of various compounded annual growth rates ("CAGR") of the opening share price over an approximately three year term. Opening share price is determined as A\$0.03 for the purpose of this grant. Fully vested target price is defined as the 20-day VWAP from the lodgement of the annual report three years after grant of the Share Appreciation Rights (SARs). Partial vesting begins at 25.9% CAGR (i.e. \$0.06 share price) and pays 15% of the total SARs grant with further vesting at 44.2% CAGR (i.e. \$0.09 share price)/15% of total SARs grant, 58.7% CAGR (i.e. \$0.12 share price)/25% of total SARs grant, and 70.9% CAGR (i.e. \$0.15 share price)/20% of total SARs grant respectively. Share price CAGR achieved between each vesting target threshold vest the SARs grant on a linear scale between those two vesting target thresholds.

Continued employment through the vesting date being three years after the initial award period.

Vested Rights:

All eligible employees, defined as an active employee in good standing on the grant date, are offered Share Appreciation Rights. The total grant value is calculated by multiplying a defined percentage by the fixed component of compensation.

For each SAR that vests, participants will receive the amount (if any) per SAR by which the Closing Price (being the average market price of Alexium shares on the relevant vesting date) exceeds the Opening Price (being the average market price of Alexium shares on the Grant Date) (the SAR Amount). Shares will be issued in the amount equal to the SAR Amount divided by the share closing share price.

SCHEDULE 2 - SUMMARY OF TERMS OF EMPLOYEE INCENTIVE PLAN

A summary of the material terms of the Company's Employee Securities Incentive Plan (**Plan**) is set out below.

Eligible Participant	Eligible Participant means a person that is a 'primary participant' (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an Associated Body Corporate (as defined in the Corporations Act) and has been determined by the Board to be eligible to participate in the Plan from time to time.
Purpose	 The purpose of the Plan is to: (a) assist in the reward, retention and motivation of Eligible Participants; (b) link the reward of Eligible Participants to Shareholder value creation; and (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Shares, Options or Performance Rights (Securities).
Plan administration	The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth)). The Board may delegate its powers and discretion.
Eligibility, invitation and application	The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Securities provided under the Plan on such terms and conditions as the Board decides. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.
Grant of Securities	The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
Rights attaching to Convertible Securities	A Convertible Security represents a right to acquire one or more Plan Shares in accordance with the Plan (for example, an Option or a Performance Right). Prior to a Convertible Security being exercised, the holder:

- (a) does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than as expressly set out in the Plan;
- (a) is not entitled to receive notice of, vote at or attend a meeting of the shareholders of the Company;
- (b) is not entitled to receive any dividends declared by the Company; and
- (c) is not entitled to participate in any new issue of Shares (see Adjustment of Convertible Securities section below).

Vesting Convertible Securities

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Any vesting conditions which must be satisfied before Convertible Securities can be exercised and converted to Shares will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see next paragraph below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

Timing of issue of Shares and quotation of Shares on exercise

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

Restrictions on dealing with Convertible Securities

A holder may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

However, in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the Participant) a Participant may deal with Convertible Securities aranted to them under the Plan with the consent of the Board.

Listing of Convertible Securities

A Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange. The Board reserves the right in its absolute discretion to apply for quotation of an Option granted under the Plan on the ASX or any other recognised exchange.

Forfeiture Convertible Securities

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Convertible Securities will be forfeited in the following circumstances:

- (a) where a Participant who holds Convertible Securities ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Group), all unvested Convertible Securities will automatically be forfeited by the Participant;
- (b) where a Participant acts fraudulently or dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;
- (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;
- (d) on the date the Participant becomes insolvent; or
- (e) on the Expiry Date.

Change of control

If a change of control event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the holder's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

Adjustment Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

Plan Shares

The Board may, from time to time, make an invitation to an Eligible Participant to acquire Plan Shares under the Plan. The Board will determine in its sole an absolute discretion the acquisition price (if any) for each Plan Share which may be nil. The Plan Shares may be subject to performance hurdles and/or vesting conditions as determined by the Board.

Where Plan Shares granted to a Participant are subject to performance hurdles and/or vesting conditions, the Participant's Plan Shares will be subject to certain restrictions until the applicable performance hurdles and/or vesting conditions (if any) have been satisfied, waived by the Board or are deemed to have been satisfied under the Rules.

Rights attaching to Plan Shares

All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (Plan Shares) will rank equally in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

General Restrictions on Transfer of Plan Shares

If the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Plan Shares issued under the Plan (including on exercise of Convertible Securities) may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Act.

Restrictions are imposed by Applicable Law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available. These laws may restrict the acquisition or disposal of Shares by you during the time the holder has such information.

Any Plan Shares issued to a holder under the Plan (including upon exercise of Convertible Securities) shall be subject to the terms of the Company's Securities Trading Policy.

Buy-Back

Subject to applicable law, the Company may at any time buy-back Securities in accordance with the terms of the Plan.

Employee Share Trust

The Board may in its sole and absolute discretion use an employee share trust or other mechanism for the purposes of holding Convertible Securities for holders under the Plan and delivering Shares on behalf of holders upon exercise of Convertible Securities.

Maximum number of Securities

The Company will not make an invitation under the Plan which involves monetary consideration if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan during the 3 year period ending on the day of the invitation, will exceed 5% of the total number of issued Shares at the date of the invitation (unless the Constitution specifies a different percentage and subject to any limits approved by Shareholders under Listing Rule 7.2 Exception 13(b).

Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

Plan duration

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

Income Tax Assessment Act

The Plan is a plan to which Subdivision 83A-C of the *Income Tax* Assessment Act 1997 (Cth) applies (subject to the conditions in that Act) except to the extent an invitation provides otherwise.



Alexium International Group Limited | ACN 064 820 408

Proxy Voting Form

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

Holder Number:

Your proxy voting instruction must be received by 10.30am (AEDT) on Monday, 14 November 2022, being not later than 48 hours before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: https://investor.automic.com.au/#/home Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

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

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at https://automic.com.au.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

https://investor.automic.com.au/#/loginsah

or scan the QR code below using your smartphone

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



BY MAIL:

Automic GPO Box 5193 Sydney NSW 2001

IN PERSON:

Automic Level 5, 126 Phillip Street Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic: WEBCHAT:

https://automicgroup.com.au/

PHONE: 1300 288 664 (Within

Australia) +61 2 9698 5414

(Overseas)

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

Date (DD/MM/YY)

Contact Daytime Telephone