



CARETEQ LIMITED
ACN 612 267 857

Notice of Annual General Meeting
Explanatory Memorandum & Proxy Form

Notice is given that the Meeting will be held at:

DATE: Tuesday 29 November 2022

TIME: 10.00AM (AEDT)

VENUE: Level 8, 525 Flinders Street, Melbourne VIC 2000

The business of 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.

CARETEQ LIMITED

Notice of Annual General Meeting

Notice is given that the 2022 Annual General Meeting of the Shareholders of Careteq Limited (ACN 612 267 857) (**Careteq** or the **Company**) will be held at Level 8, 552 Flinders Street, Melbourne VIC 3000 on **Tuesday 29 November 2022 at 10.00am (AEDT)**.

Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your personalised proxy form which will be enclosed with a copy of the Notice, delivered to you by email or post (depending on your communication preferences). If a Shareholder has nominated for electronic communications, they will receive the Notice by email. Other Shareholders will receive a postcard with a URL link to the Notice and Proxy Form.

MEETING ATTENDANCE

Shareholders who wish to attend the meeting in person are requested to notify and register their attendance with the Company at info@careteq.com.au.

Shareholders do not need to attend the Meeting to cast their vote/s and are encouraged to submit their votes and appoint the Chairperson as their proxy. Detailed instructions for lodging votes and appointment of a proxy are included in the accompanying Notice of Meeting and Proxy Form.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Act 2011 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm AEDT on 27 November 2022.

If you have any queries on how to cast your votes, please email Automic at meetings@automicgroup.com.au.

VOTING IN PERSON OR BY ATTORNEY

Shareholders or their attorneys wishing to vote in person should attend the Meeting. Persons are asked to join the meeting at least 30 minutes prior to the time the Meeting is to commence, so that their shareholdings may be checked against the register and their attendance recorded. Shareholders intending to attend the Meeting by attorney must ensure that they have, provided the original or a certified copy of the power of attorney to the Company, in the same manner prescribed below for the giving of proxy forms to the Company.

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 Shareholders has a right to appoint a proxy;
- the proxy need not be a Shareholder; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify

the proportion or number of votes each proxy is appointed to exercise. If the member appoints two 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.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular Resolution. If an appointment of a proxy specifies the way the proxy is to vote on a particular Resolution:

- The proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- If the proxy has two or more appointments that specify different ways to vote on the Resolution, the proxy must not vote on a show of hands; and
- If the proxy is the Chair at which the Resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- If the proxy is not the Chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

If the proxy is not the Chair and at the Meeting, a poll is duly demanded on the Resolution and either of the following applies:

- the proxy is not recorded as attending the Meeting; or
- the proxy does not vote on the Resolution,

the Chair is taken, before voting on the Resolution closes, to have been appointed as the proxy for the purposes of voting on the Resolution of the Meeting.

If you appoint the Chairperson of the Meeting as your proxy, you can direct the Chairperson to vote for or against or abstain from voting of the Resolutions.

The Chair intends to vote undirected proxies in favour of Resolutions 2 – 7.

CORPORATE REPRESENTATIVES

A Shareholder that is a body corporate may appoint an individual to act as its representative at the Meeting by providing a duly executed Certificate of Appointment of Corporate Representative (Certificate). Unless otherwise specified in the Certificate, the representative may exercise all or any of the powers that the body corporate may exercise at the Meeting or in voting on a Resolution. A Certificate is available upon request from Automic.

Certificates must be lodged in advance of the Meeting with Automic no less than 24 hours prior to the Meeting.

QUESTIONS AND COMMENTS BY SHAREHOLDERS AT THE ANNUAL GENERAL MEETING

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders to ask questions about or make comments on the management of the Company at the AGM. Similarly, a reasonable opportunity will be given to Shareholders to ask the Company's external auditor questions relevant to:

- a) The conduct of the audit;
- b) The preparation and content of the Auditors' Report;
- c) The accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) The independence of the auditor in relation to the conduct of the audit.



Shareholders may submit any written questions addressed to the Company or its external auditor via the address on the proxy form or to Careteq Limited via email at info@careteq.com.au no later than 48 hours prior to the Meeting.

The Company or its external auditor will either answer the questions at the AGM or table written answers to them at the AGM. If written answers are tabled at the AGM, they will be made available to Shareholders as soon as practicable after the AGM.

Shareholders may also submit questions to the Board related to any of the resolutions to be considered. These questions will be responded to by the Board during the Meeting. As above, questions should be submitted to info@careteq.com.au no later than 48 hours prior to the Meeting.

ENQUIRIES

Shareholders are asked to contact the Company at info@careteq.com.au or the Company Secretary at david.lilja@dlkadvisory.com.au or on +61 3 9923 1222 if they have any queries in respect of the matters set out in these documents.

CARETEQ LIMITED

Notice of Annual General Meeting

Notice is given that the 2022 Annual General Meeting of the Shareholders of Careteq Limited (ACN 612 267 857) (**Careteq** or the **Company**) will be held at Level 8, 552 Flinders Street, Melbourne VIC 3000 on **Tuesday 29 November 2022 at 10.00am (AEDT)**.

The Explanatory Memorandum to this Notice of Meeting (**Notice**) provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice.

ORDINARY BUSINESS

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.

No Resolution will be required to be passed on this matter. However, Shareholders will be given a reasonable opportunity at the Meeting to ask questions about, or make comments in relation to each of the aforementioned reports during consideration of these items.

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 purpose 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. Shareholders are encouraged to read the Explanatory Statement for further details on the consequences of voting on this Resolution 1.

A voting exclusion statement applies to this Resolution.

RESOLUTION 2 – RE-ELECTION OF EXECUTIVE-DIRECTOR – MR MARK SIMARI

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

“That, for the purpose of Clauses 20.6 and 20.7 of the Constitution, ASX Listing Rules 14.4 and 14.5, and for all other purposes, Mr Mark Simari, a Director who was appointed casually on 27 May 2019, retires, and being eligible, is elected as a Director.”

RESOLUTION 3 – RE-ELECTION OF EXECUTIVE-DIRECTOR – MR ALEX BOYD

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

“That, for the purpose of Clauses 20.6 and 20.7 of the Constitution, ASX Listing Rules 14.4 and 14.5, and for all other purposes, Mr Alex Boyd, a Director who was appointed casually on 11 December 2019, retires, and being eligible, is elected as a Director.”

RESOLUTION 4 – RE-ELECTION OF NON-EXECUTIVE DIRECTOR – MR BRETT CHEONG

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

“That, for the purpose of Clauses 20.6 and 20.7 of the Constitution, ASX Listing Rules 14.4 and 14.5, and for all other purposes, Mr Brett Cheong, a Director who was appointed casually on 11 December 2019, retires, and being eligible, is elected as a Director.”

RESOLUTION 5 – ELECTION OF NON-EXECUTIVE DIRECTOR – STEPHEN MUNDAY

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 20.6 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Stephen Munday, a Director who was appointed casually on 8 November 2021, retires, and being eligible, is elected as a Director.”

RESOLUTION 6 – APPROVAL OF ISSUE OF OPTIONS TO RELATED PARTY – MR MARK SIMARI

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

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 3,000,000 Related Party Options to Mr Mark Simari, a related party of the Company, on the terms and conditions as set out in the Explanatory Memorandum.”

A voting exclusion statement applies to this Resolution.

RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

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

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,000,000 Unlisted Options to Lion Superannuation Fund Pty Ltd on the terms and conditions as set out in the Explanatory Memorandum.”

A voting exclusion statement applies to this Resolution.

RESOLUTION 8 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

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

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, the Shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum which accompanies and forms part of this Notice.”

DATE: 26 October 2022

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'D. Lilja', written over a horizontal line.

DAVID LILJA
COMPANY SECRETARY

VOTING EXCLUSION STATEMENTS

Under the Corporations and ASX Listing Rules 14.11, voting exclusions apply to the following Resolutions:

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

A vote must not be cast on Resolution 1 by any KMP, details of whose remuneration are included in the Remuneration Report, or their Closely Related Part (in any capacity), unless the vote is cast as a proxy:

- a) for a person who is entitled to vote on Resolution 1 and the vote is cast in accordance with the directions on the proxy form; or
- b) by the Chairman as proxy for a person who is entitled to vote, and the proxy appointment expressly authorises the Chairman to exercise the proxy even if the Resolution is connected, directly or indirectly, with the remuneration of the KMP.

RESOLUTION 6 – APPROVAL OF ISSUE OF OPTIONS TO RELATED PARTY – MR MARK SIMARI

The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a. Mr Mark Simari;
- b. any other person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed; and
- c. any Associates of those persons listed above.

However, the Company need not disregard a vote if:

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

RESOLUTION 7 – RATIFICATION OF PRIOR OPTIONS ISSUED

The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- a. LinQ Corporate Pty Ltd;
- b. Lion Superannuation Fund Pty Ltd ATF Lion Superannuation Fund;

- c. any other person who participated in the issue or is a counterparty to the agreement being approved; or
- d. any Associates of those persons listed above.

However, the Company need not disregard a vote if:

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

KEY MANAGEMENT PERSONNEL

KMP that may have a vested interest in the outcome of a Resolution have restrictions on voting on those Resolutions. KMP include members of the Board and certain senior executives, as set out in the CTQ Annual Report. The Corporations Act restricts KMP and their Closely Related Parties from voting in certain circumstances.

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.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, at the Annual General Meeting, Shareholders will be given an opportunity to ask questions and comment on the Directors' Report, Financial Statements and Independent Auditor's Report for the financial year ended 30 June 2022.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.careteq.com.au/investors-centre/>.

No resolutions will be required to be passed on this matter.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

1.1 General

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.

In accordance with Section 250R(2) of the Corporations Act, a Resolution adopting the Remuneration Report contained within the Directors' Report must be put to a vote.

Shareholders are advised that in accordance with Section 250R(3) of the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second Annual General Meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

A reasonable opportunity will be provided for Shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

1.2 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of this non-binding Resolution.

1.3 Voting Exclusion

A voting exclusion statement applies to this Resolution.

RESOLUTIONS 2, 3, 4 & 5 – RE-ELECTION OF DIRECTORS – MR MARK SIMARI, MR BRETT CHEONG, MR ALEX BOYD AND ELECTION OF MR STEPHEN MUNDAY

2.1 General

Clause 20.6(a) of the Constitution provides that a Director must not hold office (without re-election) past the third annual general meeting following that Director's appointment or three (3) years, whichever is longer. Clause 20.7 of the Constitution provides that the Company must hold an election of Directors at each annual general meeting of the Company.

Pursuant to Clause 20.6(a) of the Constitution and ASX Listing Rules 14.4 and 14.5, Mr Simari (appointed 27 May 2019), Mr Cheong (appointed 11 December 2019) and Mr Boyd (appointed 11 December 2019), each retire and being eligible, seek re-election from Shareholders.

Clause 20.3 of the Constitution allows the Directors to appoint at any time a person to be a Director of the Company. Any Director so appointed automatically retires at the next annual general meeting and is eligible for re-election at that annual general meeting.

Pursuant to Clause 20.3 of the Constitution and ASX Listing Rule 14.4, Mr Stephen Munday (appointed 8 November 2021), retires and being eligible, seeks re-election from Shareholders.

2.2 Qualifications

Mr Mark Simari – Executive Chairman

Mark is an experienced and accomplished professional in the health industry and has over 14 years' Board experience in a diverse range of organisations. Mark was the former Managing Director and Co-Founder of Paragon Care (ASX: PGC) (between 2008 and 2018). He was instrumental in Paragon Care becoming one of the largest independent healthcare suppliers in the Australian and New Zealand markets, creating a healthcare platform spanning across capital equipment, consumables, devices and service and maintenance.

Mr Brett Cheong – Non-Executive Director

Brett has over 40 years' experience within the healthcare industry at all levels of management. A former director of Paragon Care (ASX: PGC) for 9 years and former managing director of Axishealth Pty Ltd for 9 years prior to its acquisition by Paragon Care. Brett's depth of experience spans sales and marketing, product design and development and manufacturing and product sourcing.

Mr Alexander Boyd – Chief Operating Officer and Executive Director

Alex has extensive experience in international operations, procurement and resource management across multiple sectors at a C-Suite level. Alex's background includes roles as interim Managing Director leading to a successful trade sale at Fix My Truck and Operations Director leading to the restructure of a group out of voluntary administration at Fusion Retail Brands. In addition, Alex supervised the integration of three acquired companies at Idox Plc, UK.

Mr Stephen Munday – Non-Executive Director

Stephen is an experienced financial and governance profession and has more than 25 years' experience on or working directly with Boards in a diverse range of organisations, Stephen has over 40 years business experience in Australia and North America including chief financial officer & company secretary positions in several listed companies over that time/ He is currently involved in businesses which supply products, services and technologies to the APAC health care and Australian aged care markets.

Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. The Company undertook such checks prior to the appointment of Mr Simari, Mr Cheong, Mr Boyd and Mr Munday.

The Board conducts ongoing reviews in connection with the performance of Board members and considers that each of Mr Simari, Mr Cheong, Mr Boyd and Mr Munday's skills and experience continue to enhance the Board's ability to perform its role.

2.3 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolutions 2, 3, 4 and 5.

RESOLUTIONS 6 – APPROVAL OF ISSUE OF OPTIONS TO RELATED PARTY – MR MARK SIMARI

3.1 General

On 4 April 2022, the Company announced a restructuring of the executive leadership team to better take advantage of the many growth opportunities presenting themselves to the company since listing on the ASX in January 2022.

Pursuant to Listing Rule 3.16.4, the Board of the Company announced the summary of key remuneration terms for the Executive Chair, Mr Mark Simari, including that on commencement, but subject to approval of Shareholders at this annual general meeting, Mr Simari will be issued 3,000,000 unlisted options, expiring 30 June 2025, with an exercise price of \$0.20 (**Related Party Options**).

3.2 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 exceptions set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Options constitutes giving a benefit and Mr Simari is a related party of the Company by virtue of being appointed as a Director of the Company.

The Directors (other than Mr Simari who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the agreement to grant the Related Party Options, reached

as part of the remuneration package for Mr Simari, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis as part of Mr Simari's remuneration package.

3.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Related Party Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

If Resolutions 6 is passed, the Company will be able to proceed with the issue of Related Party Options.

If Resolution 6 is not passed, the Company will not be able to proceed with the issue of Related Party Options, and may need to increase the directors' cash remuneration.

3.4 Technical information required by Listing Rule 10.13

Pursuant to Listing Rule 10.13, the following information is provide in relation to Resolution 6:

- a) the related party who will be granted the Related Party Options is Mr Simari (or his nominee);
- b) Mr Simari is a related party of the Company by virtue of being a Director of the Company (ASX Listing Rule 10.11.1);
- c) the number of Related Party Options to be issued is 3,000,000;
- d) the Related Party Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver of modification of the ASX Listing Rules);
- e) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised;
- f) the purpose of the issue of the Related Party Options is for the Company to satisfy its obligations by the provision of remuneration packages to the Directors;
- g) the total remuneration package of Mr Simari (base fees / salary) is \$360,000; and
- h) the terms and conditions of the Related Party Options are set out in paragraph 3.5.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Options to Mr Simari (or his nominees) will not be included in the calculation of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

3.5 Terms and Conditions of Related Party Options

The following is a summary of the key terms and conditions of the Options:

- a) **Entitlement**
Each Related Party Option entitles the holder to subscribe for one Share upon exercise of the Related Party Option.

- b) **Exercise Price**
The amount payable upon exercise of each Related Party Option is \$0.20.
- c) **Expiry Date**
Each Related Party Option will expire at 5.00pm (AEST) on 30 June 2025.
A Related Party Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) **Exercise Period**
The Related Party Options are exercisable at any time and will expire on the Expiry Date.
- e) **Notice of Exercise**
The Related Party Options may be exercised during the Exercise Period by notice in writing to the Company and payment of the Exercise Price for each Related Party Option being exercised in Australian Currency by means of payment acceptable to the Company.
- f) **Exercise Date**
A notice of exercise is only effective on and from the later of the date of receipt of the notice of exercise and the date of receipt of the payment of the exercise price for each Related Party Option being exercised in cleared funds.
- g) **Consideration**
The Related Party Options will be issued for nil cash consideration.
- h) **Timing of Issue of Shares on exercise**
Within 14 business days of the exercise date, the Company will
- i. issue the number of Shares required under these terms and conditions in respect of the number of Related Party Options specified in the notice of exercise and for which cleared funds have been received by the Company;
 - ii. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with the ASX a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - iii. admit the Shares to the official list of the ASX at the time and apply for quotation on ASX of Shares issued pursuant to the exercise of the Related Party Options.
- i) **Shares issued on exercise**
Shares issued on exercise of the Related Party Options rank equally with the then issued shares of the Company.
- j) **Reconstruction of capital**
If at any time the issued capital of the Company is reconstructed, all rights of a Related Party Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- k) **Participation in new shares**
There are no participation rights or entitlements inherent in the Related Party Options and holders will not be entitled to participate in new shares of capital offered to Shareholders during the currency of the Related Party Options without exercising the Related Party Options.

l) **Change in exercise price**

A Related Party Options does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Related Party Option can be exercised.

m) **Transferability**

The Related Party Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

3.6 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

3.7 Voting Exclusion

A voting exclusion statement applies to this Resolution.

RESOLUTIONS 7 – RATIFICATION OF PRIOR OPTIONS ISSUED

4.1 General

On 6 May 2022, the Company issued 2,000,000 unlisted options as partial consideration in its strategic partnership engagement with LinQ Corporate Pty Ltd (**LinQ**) (or its nominee) (**Unlisted Options**).

Broadly speaking, and subject to a number of exceptions, ASX 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. ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies previous issues of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with Shareholder approval for the purpose of ASX Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under ASX Listing Rule 7.1.

Accordingly, the Company is seeking Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Unlisted Options.

4.2 Technical information required by ASX Listing Rule 14.1A

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

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

It is noted that the Company's ability to utilise the additional 10% capacity provided for in ASX Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 7 being passed at this Meeting.

4.3 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to this Resolution:

- a) the Unlisted Options were issued to Lion Superannuation Fund Pty Ltd ATF Lion Superannuation Fund (a nominee of LinQ);
- b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - i. related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - ii. issued more than 1% of the issued capital of the Company;
- c) 2,000,000 Unlisted Options were issued and the Unlisted Options were issued on the terms and conditions as set out in paragraph 4.4;
- d) the Unlisted Options were issued on 6 May 2022;
- e) the Unlisted Options were issued for nominal consideration, in partial consideration in its engagement with LinQ. The Company has not and will not receive any other consideration for the issue of Unlisted Options (other than in respect of funds received on exercise of the Unlisted Options);
- f) the purpose of the issue of Unlisted Options was to satisfy partial consideration owed to LinQ for a provision of services to the Company; and
- g) the Unlisted Options were not issued under an agreement.

4.4 Terms and Conditions of Unlisted Options

The following is a summary of the key terms and conditions of the Unlisted Options:

- n) **Entitlement**
Each Unlisted Option entitles the holder to subscribe for one Share upon exercise of the Unlisted Option.
- o) **Exercise Price**
The amount payable upon exercise of each Unlisted Option is \$0.20.
- p) **Vesting Date**
Each Unlisted Option will automatically vest after 4 months from the date of issue on 6 September 2022, provided that if prior to the Vesting Date, the engagement has not been terminated by the Company or by LinQ.
- q) **Expiry Date**
Each Unlisted Option will expire at 5.00pm (AEST) on 6 May 2025.
An Unlisted Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- r) **Exercise Period**
The Options are exercisable at any time following the Vesting Date and will expire on the Expiry Date.

s) **Notice of Exercise**

The Unlisted Options may be exercised during the Exercise Period by notice in writing to the Company and payment of the Exercise Price for each Unlisted Option being exercised in Australian Currency by means of payment acceptable to the Company.

t) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Unlisted Option being exercised in cleared funds.

u) **Consideration**

The Unlisted Options will be issued for nil cash consideration.

v) **Timing of Issue of Shares on exercise**

Within 14 business days of the Exercise Date, the Company will

- i. issue the number of Shares required under these terms and conditions in respect of the number of Unlisted Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- ii. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with the ASX a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- iii. admit the Shares to the official list of the ASX at the time and apply for quotation on ASX of Shares issued pursuant to the exercise of the Unlisted Options.

w) **Shares issued on exercise**

Shares issued on exercise of the Unlisted Options rank equally with the then issued shares of the Company.

x) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

y) **Participation in new shares**

There are no participation rights or entitlements inherent in the Unlisted Options and holders will not be entitled to participate in new shares of capital offered to Shareholders during the currency of the Unlisted Options without exercising the Unlisted Options.

z) **Change in exercise price**

An Unlisted Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Unlisted Option can be exercised.

aa) **Transferability**

The Unlisted Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

3.5 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

3.5 Voting Exclusion

A voting exclusion statement applies to this Resolution.

RESOLUTIONS 8 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A enables eligible entities such as the Company to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

The Company is seeking Shareholder approval by way of a Special Resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of this Resolution will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period (as described below) without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve this Resolution, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

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

If Shareholders do not approve this Resolution, the Company will not have the capacity to issue additional Equity Securities under the 10% Placement Facility, nor will it issue any Equity Securities under the 10% Placement Facility. The Company will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

4.2 Technical information required by ASX Listing Rule 7.1A

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

a) **Period for which the 7.1A mandate is valid**

The 7.1A mandate will commence on the date of the Meeting and expire 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 Listing Rule 7.1A must be 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 paragraph 10.2(b)(i), the date on which the Equity Securities are issued.

c) Use of funds

The purposes for which the funds raised by an issue of Equity Securities (for cash consideration only) under Listing Rule 7.1A.2 may be used by the Company include:

- i. consideration for the acquisition/s of new assets and investments, including the expenses associated with such acquisition/s; and
- ii. continued expenditure on the Company's current business and/or general working capital.

d) Risk of Economic and Voting Dilution

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

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under Listing Rule 7.1A, 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 outlines in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 15 September 2022.

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 issued price of Shares under Listing Rule 7.1A.

Variable "A" ASX Listing Rule 7.1A.2		Dilution		
		\$0.0410 50% decrease in issue price	\$0.0830 issue price**	\$0.1660 100% increase in issue price
Current Variable A 123,565,941 Shares	10% voting Dilution	12,356,594	12,356,594	12,356,594
	Funds raised	\$506,620	\$1,025,597	\$2,051,195
50% increase in Variable A 185,348,911 Shares	10% voting Dilution	18,534,891	18,534,891	18,534,891
	Funds raised	\$759,931	\$1,538,396	\$3,076,792
100% increase in Variable A 247,131,882 Shares	10% voting Dilution	24,713,188	24,713,188	24,713,188
	Funds raised	\$1,013,241	\$2,051,195	\$4,120,389

*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 123,565,941 Shares on issue;
2. The issue price set out above is the closing market price of the Shares on the ASX on 15 September 2022;
3. The company issues the maximum possible number of Equity Securities under Listing Rule 7.1A;
4. The issue of Equity Securities under Listing Rule 7.1A consists only of Shares. IT is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
5. 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.
6. The table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
7. 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 at 10%.
8. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under Listing Rule 7.1A, based on that Shareholders holding at the date of the Meeting.

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 Listing Rule 7.1A**
The allocation policy which will apply will be determined at the relevant time but the extent that it relates to a private placement capital raising, Equity Securities will be issued to sophisticated and professional investors who are identified by the Company with the assistance of the relevant lead manager (if any). It is not expected that any related party of the Company, member of key management personnel, adviser to the Company or associate of the aforementioned will be issued more than 1% of the Company's issued capital at the time of the issue.
- f) **Previous approval under Listing Rule 7.1A**
As this is the Company's first annual general meeting, the Company has not previously obtained approval under ASX Listing Rule 7.1A.

4.3 Board Recommendation

The Board unanimously recommends that Shareholders vote in favour of this Resolution.

4.4 Voting Exclusion

As at the date of this notice, the Company has not identified or invited any person to participate in an issue of Equity Securities under ASX listing Rule 7.1A. Therefore, no existing shareholders will be excluded from voting on this Resolution.

DISCLOSURE

The Company consider this Explanatory Memorandum to contain all material information known to it that could reasonably be required by Shareholders in deciding how to vote on the proposed Resolution other than information that would be unreasonable to require the Company to disclose because it has previously disclosed that information to Shareholders.

GLOSSARY

\$ means Australian dollars

AEDT means Australian Eastern Daylight Time as observed in Melbourne, Victoria.

AEST means Australian Eastern Standard Time as observed in Melbourne, Victoria.

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

Annual Financial Report means the 2022 annual report of the Company containing the financial report for the period ended 30 June 2022, a copy of which was lodged by the Company by way of Appendix 4E with ASX on 8 August 2022.

Associate has the meaning given to it in the Corporations Act.

ASX Listing Rules or **Listing Rules** means the Listing Rules of ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Auditor's Report means the auditor's report of RSM Australia Partners dated 8 August 2022 as included in the Annual Financial Report.

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

Automic means Automic Registry Services, being the share register for the Company.

Board means the current board of directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the chair of the Meeting.

Closely Related Party of a member of 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 members 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 Act 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Careteq Limited (ACN 612 267 857).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2011 (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

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 mean the explanatory memorandum accompanying this Notice.

Key Management Personnel or **KMP** means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

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

Option means an option to acquire a Share.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Proxy Form means the proxy form accompanying the Notice.

Related Party Options has the meaning given to it in section 3.1.

Remuneration Report means the remuneration report as set out in the Annual Financial Report.

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

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

Shareholder means a registered holder of a Share.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Unlisted Options has the meaning given to it in section 4.1.

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

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 **10.00am (AEDT) on Sunday, 27 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/#/login>

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:

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IN PERSON:

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