

30 October 2023

Dear Shareholder

Microba Life Sciences - Annual General Meeting of Shareholders

On behalf of the Board of Directors of Microba Life Sciences Limited, I am pleased to invite you to the 2023 Annual General Meeting (AGM)

The AGM of Microba Life Sciences Limited ("Company" or "Microba") is scheduled to be held at Thomson Geer, Level 28, 1 Eagle Street, Brisbane on Thursday, 30 November 2023 at 11:00 am Brisbane time (Meeting)

I would encourage you to lodge a directed proxy form by Tuesday, 28 November 2023 at 11.00 am Brisbane time. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the AGM. Further details of how to participate in the Meeting are set out in the Notice of Meeting.

In addition to the formal items of business set out in the Notice of Meeting, myself and Dr. Luke Reid will give an address and provide a business update. Copies of the address and presentation will also be released on the ASX prior to the commencement of the meeting.

The Notice of Meeting and Annual Report can be viewed and downloaded from: <https://ir.microba.com/asx-announcements>

Shareholders who have nominated an email address and have elected to receive electronic communications from the Company, will receive an email to their nominated email address with a link to an electronic copy of the important Meeting documents.

In accordance with sections 110C-110H and 110J-110K of the *Corporations Act 2001* (Cth), no hard copy of the Notice of Annual General Meeting and Explanatory Memorandum will be circulated, unless a shareholder has requested a hard copy.

If you are unable to access any of the important Meeting documents online or if you wish to receive a hard copy of the Meeting documents please contact our share registry, Automic, on 1300 288 664 (within Australia) or +612 9698 5414 or via email at hello@automic.com.au

Your right to elect to receive documents electronically or in hard copy

Microba will no longer send a hard copy of the Meeting documents unless a shareholder requests a copy to be mailed.

We encourage all shareholders to provide an email address so that we can send investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

Shareholders can still elect to receive some or all of their communications in hard copy or electronic form or elect not to receive certain documents such as annual reports.

To review your communications preferences or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>.

If you are a shareholder and would like a hard copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

Telephone (within Australia): 1300 288 664

Telephone (outside Australia): +61 2 9698 5414

Email: hello@automicgroup.com.au

Website: <https://investor.automic.com.au/>

30 October 2023

For further information, please contact:

Dr Luke Reid
Chief Executive Officer

Investor / Media Relations
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About Microba Life Sciences Limited

Microba Life Sciences is a precision microbiome company driven to improve human health. With world-leading technology for measuring the human gut microbiome, Microba is driving the discovery and development of novel therapeutics for major chronic diseases and delivering gut microbiome testing services globally to researchers, clinicians, and consumers. Through partnerships with leading organisations, Microba is powering the discovery of new relationships between the microbiome, health and disease for the development of new health solutions.

For more information visit: www.microba.com

Microba encourages all current investors to go paperless by registering their details with the designated registry service provider, Automic Group.



Microba Life Sciences Limited ACN 617 096 652

Notice of Annual General Meeting & Explanatory Statement

To be held at: Thomson Geer, Level 28, 1 Eagle Street, Brisbane QLD 4000

To be held on: Thursday, 30 November 2023

Commencing at: 11.00 a.m. AEST (Brisbane time)

More information regarding participation at the Annual General Meeting (including how to vote and ask questions during the Annual General Meeting) is available in Section C of this Notice of Annual General Meeting.

Important Information

This Notice of Annual General 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 advisors prior to voting.

Important dates

Deadline for lodgement of Proxy Forms for the Annual General Meeting	11.00 a.m. AEST (Brisbane time) Tuesday, 28 November 2023
Annual General Meeting	11.00 a.m. AEST (Brisbane time) Thursday, 30 November 2023

Letter from the Chair

Dear Shareholders,

We are pleased to invite you to the Annual General Meeting of Microba Life Sciences Limited ACN 617 096 652 (**Company**) to be held at 11.00 a.m. AEST (Brisbane time) on Thursday, 30 November 2023 at Thomson Geer, Level 28, 1 Eagle Street, Brisbane, 4000 (**Annual General Meeting**).

The Annual General Meeting will consider customary resolutions along with resolutions related to the proposed acquisition of Invivo Clinical Limited as announced to the ASX on 19 October 2023.

Votes may be submitted during the Annual General Meeting only by those Shareholders in attendance at the Annual General Meeting either in person or through a validly appointed corporate representative. Votes via validly submitted proxy forms will also be accepted.

In accordance with Part 1.2AA of the *Corporations Act 2001 (Cth)*, the Company will only be dispatching physical copies of the Notice of Annual General Meeting (**Notice of Annual General Meeting**) to Shareholders who have elected to receive the Notice of Annual General Meeting in physical form. The Notice of Annual General Meeting is being made available to Shareholders electronically and can be viewed and downloaded online on the Company's ASX market announcements page (ASX:MAP).

Questions from Shareholders who plan not to attend the Annual General Meeting must be submitted in advance of the Annual General Meeting. It may not be possible to respond to all questions. It is encouraged that Shareholders lodge questions prior to the meeting by submitting your question(s) to the Joint Company Secretary, Mr Peter Webse, by email at Peter.Webse@microba.com.

Background to the Resolutions

In addition to customary resolutions, this Annual General Meeting seeks the approval of Shareholders for:

- the re-election of non-executive Directors, Professor Gene Tyson and Mr Richard Bund;
- the issue of Director Options to Ms Jacqueline Fernley under ASX Listing Rule 10.14;
- the issue of the Consideration Shares to the sellers of the shares in UK registered Invivo Clinical Limited under ASX Listing Rule 7.1;
- the issue of the Earn-Out Shares to the sellers of the shares in UK registered Invivo Clinical Limited under ASX Listing Rule 7.1;
- the additional 10% placement facility under ASX Listing Rule 7.1A; and
- the renewal of proportional takeover approval provisions.

For full detail on the Proposed Acquisition of Invivo Clinical Limited, please refer to the ASX Announcement dated 19 October 2023 at <https://ir.microba.com/asx-announcements>.

All of the Directors entitled to make a recommendation in respect of a particular Resolution recommend that you vote in favour of adopting that Resolution.

With respect to the Annual General Meeting, this booklet contains the following:

- the Notice of Meeting for the Annual General Meeting which contains information about the business to be conducted at the Annual General Meeting, including the Resolutions to be put to the Annual General Meeting (see Section B);
- information explaining the business to be conducted at the Annual General Meeting (see the Explanatory Statement at Section D); and
- information on how to vote, how to attend the Annual General Meeting and appoint a proxy to vote on the Resolutions to be passed at the Annual General Meeting (see Section C).

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

to vote on. Should you wish to discuss the matters in this Notice of Annual General Meeting please do not hesitate to contact the Joint Company Secretary, Mr Peter Webse, by email at Peter.Webse@microba.com.

By order of the Board

Dated 26 October 2023

A handwritten signature in black ink, consisting of three stylized, overlapping characters that appear to be 'P', 'R', and 'S'.

Pasquale Rombola
Chair
Microba Life Sciences Limited

Section A – Glossary

\$	Australian dollars.
AEST	Australian Eastern Standard Time.
Annual General Meeting	The Annual General Meeting of Shareholders.
ASIC	The Australian Securities & Investments Commission.
ASX	The Australian Securities Exchange operated by ASX Limited.
ASX Listing Rules	The listing rules of the ASX.
Auditor's Report	Has the meaning given to that term in paragraph 1.1 of the Explanatory Statement.
Board	The board of directors of the Company.
Closely Related Party	<p>A “Closely Related Party” of a member of the Key Management Personnel means:</p> <ul style="list-style-type: none"> • a spouse or child of the member; • a child of the member's spouse; • a dependent of the member or the member's spouse; • 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; • a company the member controls; or • a person prescribed by the Corporations Regulations.
Company or Microba	Microba Life Sciences Limited ACN 617 096 652.
Completion	Means the date of completion of the Proposed Acquisition.
Consideration Shares	The Shares to be issued to the sellers of 100% of the issued share capital in Invivo as part consideration with respect to the Proposed Acquisition.
Constitution	The constitution of the Company.
Corporations Act	The <i>Corporations Act 2001</i> (Cth).
Corporations Regulations	The <i>Corporations Regulations 2001</i> (Cth).
Directors	The directors of the Company.
Director Options	The Director Options the subject of Resolution 4.
Directors' Report	Has the meaning given to that term in paragraph 1.1 of the Explanatory Statement.
Earn-Out	The earn-out component of the Proposed Acquisition.
Earn-Out Date	The last Trading Day prior to the first anniversary of the last day of the calendar month prior to the month in which Completion of the Proposed Acquisition takes place.
Earn-Out Shares	The Shares to be issued to the sellers of 100% of the issued share capital in Invivo as part of the Earn-Out for the Proposed Acquisition (and subject to satisfaction of the relevant revenue hurdles).
Employee Incentive Plan	The Employee Incentive Plan of the Company adopted by the Board on 27 September 2021.
Equity Securities	Any type of security in the Company, including a Share, option, unit, convertible security, and as otherwise defined in the ASX Listing Rules.
Explanatory Statement	The explanatory statement accompanying the Notice of Annual General Meeting and contained in Section D to this booklet.
Financial Report	Has the meaning given to that term in paragraph 1.1 of the Explanatory Statement.
Glossary	The glossary contained in Section A to this booklet.
Invivo	Invivo Clinical Limited (registered in England and Wales with Company Number 06187743).

Key Management Personnel	Has the meaning given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Microba UK	Microba UK Holdings Limited Company Number 15213390, a wholly owned subsidiary of Microba.
Notice of Annual General Meeting	The notice of the Annual General Meeting accompanying the Explanatory Statement for the Annual General Meeting and contained in Section B to this booklet.
Proposed Acquisition	The proposed acquisition by Microba UK, a wholly owned subsidiary of the Company, of 100% of the issued share capital in Invivo.
Proxy Form	The Proxy Form accompanying this Notice of Annual General Meeting. Refer to Section C for details.
Remuneration Report	The remuneration report set out in the Directors' Report.
Resolution(s)	The resolution(s) contained in the Notice of Annual General Meeting.
Section	A section of this booklet.
Shareholders	The holders of all shares issued in the Company and Shareholder means any one of them.
Shares	All of the ordinary shares on issue in the share capital of the Company and Share means any one of them.
Share Sale and Purchase Agreement	The share sale and purchase agreement entered into between Microba UK (as the buyer), all of the shareholders of Invivo (as the sellers) and the Company (as guarantor), documenting the Proposed Acquisition. Refer to the ASX Announcement issued on 19 October 2023 for more details - https://ir.microba.com/asx-announcements/
Trading Day	Has the meaning given in ASX Listing Rule 19.12.
VWAP	Volume weighted average price.

Section B – Notice of Annual General Meeting

Time and place

Notice is hereby given that the Annual General Meeting will be held as follows:

- Held at: Thomson Geer, Level 28, 1 Eagle Street, Brisbane Qld 4000
- Commencing at: 11.00 a.m. AEST (Brisbane time) on Thursday, 30 November 2023

Explanatory Statement

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

Defined terms

Terms used in this Notice of Annual General Meeting have the meaning given to them in the Glossary in **Section A** of this Notice of Annual General Meeting.

ORDINARY BUSINESS

1. Financial statements and reports

To receive and consider the Company's 2023 Annual Report, which comprises the Directors' Report, the Auditor's Report and the Financial Report for the financial year ended 30 June 2023.

2. Resolution 1: Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act, and for all other purposes, Shareholders adopt the Remuneration Report for the financial year ended 30 June 2023 as disclosed in the Directors' Report for the year ended 30 June 2023."

Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

Short Explanation: This Resolution is required as a result of section 250R(2) of the Corporations Act, which requires that a resolution that the Remuneration Report of the Company be adopted must be put to a vote. The vote on this Resolution is advisory only and does not bind the Company.

Voting exclusion statement: In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- a Closely Related Party of such member.

However, the above persons may cast a vote on this Resolution if:

- the person does so as a proxy; and
- the vote is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the remuneration report or a Closely Related Party of such a member; and
- either:
 - the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
 - the voter is the Chair of the Annual General Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on this Resolution and expressly authorises the Chair to vote as the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company or, if the Company is part of a consolidated entity, for the entity.

SPECIAL BUSINESS

3. Resolution 2: Re-election of Professor Gene Tyson

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

"That Professor Gene Tyson, who retires by rotation in accordance with ASX Listing Rule 14.5 and rule 39.1(c) of the Constitution, and being eligible, be re-elected as a Director of the Company."

Short Explanation: This Resolution is required as rule 39.1(c) of the Constitution provides that at each annual general meeting, one third of the Directors for the time being must retire from office and will be eligible for re-election. ASX Listing Rule 14.5 requires that a listed company must have at least one director stand for election or re-election at each annual general meeting.

4. Resolution 3: Re-election of Mr Richard Bund

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

"That Mr Richard Bund, who retires by rotation in accordance with ASX Listing Rule 14.5 and rule 39.1(c) of the Constitution, and being eligible, be re-elected as a Director of the Company."

Short Explanation: This Resolution is required as rule 39.1(c) of the Constitution provides that at each annual general meeting, one third of the Directors for the time being must retire from office and will be eligible for re-election. ASX Listing Rule 14.5 requires that a listed company must have at least one director stand for election or re-election at each annual general meeting.

5. Resolution 4: Issue of Director Options to a Related Party under ASX Listing Rule 10.14 – Ms Jacqueline Fernley

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

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the Directors be authorised to issue 200,000 Director Options pursuant to the Employee Incentive Plan and, upon exercise of those Director Options, the acquisition of the ordinary shares underlying those options, in accordance with the terms of the Employee Incentive Plan and on the terms specified in the accompanying Explanatory Statement."

Short explanation

This Resolution is required under ASX Listing Rule 10.14 to allow the issue of securities, in the form of 200,000 Director Options under the Employee Incentive Plan to Ms Jacqueline Fernley (or her nominee), being a Director.

Voting Exclusion Statement

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

- Ms Jacqueline Fernley (and her nominee), any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) and a person referred to in ASX Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan; or
- an associate of that person or persons.

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

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - 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.

6. Resolution 5: Authority to issue the Consideration Shares

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

"That, subject to the approval of Resolution 6 and for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Company to issue the Consideration Shares to the shareholders of Invivo Clinical Limited, Company Number 06187743 with such number being determined on application of the formula detailed in the Explanatory Statement and otherwise on the terms and conditions set out in the Explanatory Statement."

Short explanation

The Company will (subject to Shareholder approval of Resolutions 5 and 6) issue the Consideration Shares to the sellers of the shares in Invivo Clinical Limited, Company Number 06187743. The Consideration Shares are being issued as part consideration for the acquisition of the entire issued share capital of Invivo Clinical Limited, Company Number 06187743 by Microba UK.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities (which includes shares) during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period (**15% Placement Capacity**). Approval under ASX Listing Rule 7.1 is being sought as the number of Consideration Shares exceeds the 15% Placement Capacity.

Voting Exclusion Statement

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

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

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

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

7. Resolution 6: Authority to issue the Earn-Out Shares

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

"That, subject to the approval of Resolution 5 and for the purpose of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Company to issue the Earn-Out Shares to the shareholders of Invivo Clinical Limited, Company Number 06187743 with such number being determined on application of the formula detailed in the Explanatory Statement (subject to a maximum number) and otherwise on the terms and conditions set out in the Explanatory Statement."

Short explanation

The Company will (subject to Shareholder approval of Resolutions 5 and 6 and satisfaction of the relevant hurdles) issue the Earn-Out Shares to the sellers of the shares in Invivo Clinical Limited Company Number 06187743. The Earn-Out Shares are being issued as part consideration for the acquisition of the entire issued share capital of Invivo Clinical Limited Company Number 06187743 (and subject to the hurdles being satisfied) by Microba UK.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities (which includes shares) during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period (**15% Placement Capacity**). Approval under ASX Listing Rule 7.1 is being sought as the number of Earn-Out Shares exceeds the 15% Placement Capacity.

Voting Exclusion Statement

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

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

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

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

8. Resolution 7: Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, 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 on the terms and conditions referred to, in the Explanatory Statement accompanying this Notice."

Short Explanation: Approval under ASX Listing Rule 7.1A will enable the Company to issue "equity securities" up to a further 10% of its issued Share capital through placements over a 12 month period after the Annual General Meeting (**10% Placement Facility**). This is in addition to its 15% Placement Capacity under ASX Listing Rule 7.1.

Voting exclusion statement: The Company will disregard any votes cast in favour of this Resolution by a person (and any associates of such a person) who is expected to participate, or who will obtain a

material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

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

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

3. Resolution 8: Renewal of proportional takeover approval provisions

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

"That the proportional takeover provisions contained in rule 91 of the Constitution be granted effect for a further three years, effective on the day on which this Resolution is passed".

Short Explanation: Under section 648G of the Corporations Act, the proportional takeover provisions expire three years from adoption or renewal and may then be renewed. The Company is seeking shareholder approval to renew these provisions under the Corporation Act. The proportional takeover bid provisions are identical to those included in the Company's current Constitution.

OTHER BUSINESS

To transact any other business which may be brought forward in accordance with the Constitution.

Section C – How to vote

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

1. How to vote

If you are entitled to vote at the Annual General Meeting, you may vote by attending the Annual General Meeting in person or by attending the meeting by proxy.

Please note that if you intend to attend the Annual General Meeting, you will need your shareholder number (which can be found on your Proxy Form) for verification purposes.

2. Corporations

To vote at the Annual General Meeting, a Shareholder that is a corporation must appoint an individual to act as its representative. The appointment must comply with section 250D of the Corporations Act. Alternatively, a corporation may appoint a proxy.

3. Voting in person

To vote in person, attend the meeting on the date and at the time and place set out above.

4. Voting by proxy

All Shareholders who are entitled to participate in and vote at the Annual General Meeting have the right to appoint a proxy to participate in the Annual General Meeting and vote in their place. A proxy need not be a Shareholder and can be an individual or a body corporate.

A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion, or number, of votes which each proxy is entitled to exercise. If no proportion or number is specified, each proxy may exercise up to half of the Shareholder's votes.

Shareholders and their proxies should be aware that:

- (a) if a proxy votes, they must cast all directed proxies as directed; and
- (b) any directed proxies which are not voted will automatically default to the Chair, which must vote the proxies as directed.

To vote by proxy, you must complete and lodge the Proxy Form using one of the following methods:

Online	Lodge the Proxy Form online at https://investor.automic.com.au/#/loginsah by following the instructions: Login to the Automic website using the holding details as shown on the Proxy Form. Click on 'View Meetings' – 'Vote'. To use the online lodgement facility, Shareholders will need their holder number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on the front of the Proxy Form. For further information on the online proxy lodgement process please see the Online Proxy Lodgment Guide at https://investor.automic.com.au/#/loginsah
By post	Automic, GPO Box 5193, Sydney NSW 2001
By hand	Automic, Level 5, 126 Phillip Street, Sydney NSW 2000

For details on how to complete and lodge the Proxy Form, please refer to the instructions on the Proxy Form.

For your proxy appointment to be effective, it must be received by the Company not less than 48 hours before the Meeting (i.e. by 11.00am AEST (Brisbane time) on Tuesday, 28 November 2023). Proxy Forms received later than this time will be invalid.

You can direct your proxy on how to vote (i.e. to vote 'for' or 'against', or to 'abstain' from voting on, each Resolution) by following the instructions either online or on the Voting Form. A proxy may decide whether to vote on an item of business, except where the proxy is required by law or the Constitution to vote, or abstain from voting in his or her capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may only vote on the item as directed. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If you appoint the Chair as your proxy but do not direct the Chair on how to vote, then by completing and submitting your voting instructions you are expressly authorising the Chair to vote in favour of each item of business, even where an item of business is directly or indirectly connected to the remuneration of a member of the Key Management Personnel of the Company. The Chair intends to vote all available (including undirected) proxies in favour of all Resolutions, subject to the applicable voting exclusions and prohibitions.

You cannot lodge a direct vote and appoint a proxy for the same voting rights. The appointment of one or more duly appointed proxies will not preclude a Shareholder from attending the Meeting and voting personally. If the Shareholder votes on a Resolution, the proxy must not vote as the Shareholder's proxy on that Resolution.

5. Eligibility to vote

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those that are registered Shareholders as at 7.00 p.m. AEST (Brisbane time) on Tuesday, 28 November 2023. If you are not the registered holder of a relevant Share at that time you will not be entitled to vote in respect of that Share.

6. Voting procedure – on a poll

All Resolutions at this Annual General Meeting will be decided on a poll. Upon a poll, every person entitled to vote who is present in person, or by proxy, will have one vote for each voting share held by that person.

7. Enquiries

For all enquiries, please contact the Joint Company Secretary, Mr Peter Webse, by email at Peter.Webse@microba.com.

Section D – Explanatory Statement

This Explanatory Statement forms part of the Notice of Annual General Meeting convening the Annual General Meeting of Shareholders of the Company to be held commencing at 11.00 a.m. AEST (Brisbane time) on Thursday, 30 November 2023.

Refer to Section C for details on how to attend and vote at the Annual General Meeting.

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

Purpose

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

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

Defined terms

Terms used in this Explanatory Statement have the meaning given to them in the Glossary in **Section A** of this Notice of Annual General Meeting in which this Explanatory Statement is contained.

GENERAL INFORMATION

1. Agenda Item 1 – Financial statements and reports

1.1 Purpose

The Corporations Act requires that the report of the directors (**Directors' Report**), the auditor's report (**Auditor's Report**) and the financial report (**Financial Report**) be laid before the Annual General Meeting.

The 2023 Annual Report for the year ended 30 June 2023 includes the Directors' Reports, the Auditor's Report and the Financial Report (which includes the financial statements and directors' declaration).

Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution require a vote of shareholders at the Annual General Meeting on the 2023 Annual Report.

1.2 Questions to the Chair

Shareholders will be given reasonable opportunity at the Annual General Meeting to raise questions and make comments on the 2023 Annual Report.

In addition to asking questions at the meeting, Shareholders may address written questions to the Chair about the management of the Company or to the Company's auditor, Ms Cheryl Mason of Pitcher Partners, if the question is relevant to:

- the content of the Auditor's Report; or
- the conduct of its audit of the Financial Report to be considered at the Annual General Meeting.

Note: Under section 250PA(1) of the Corporations Act a shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

Written questions for the Company's auditor must be delivered by 5:00 p.m. AEST (Brisbane time) on Thursday, 23 November 2023 to:

The Company Secretary
 Microba Life Sciences Limited
 Level 10, 324 Queen Street
 Or via email to: Peter.Webse@microba.com.

2. Resolution 1: Adoption of Remuneration Report

2.1 Purpose of Resolution

The Remuneration Report of the Company for the financial year ended 30 June 2023 is set out in the Directors' Report contained in the 2023 Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

The Corporations Act at section 250R(2) requires that a resolution that the Remuneration Report of the Company be adopted must be put to a vote.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting.

This Resolution is an ordinary resolution.

2.2 Voting consequences

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Company.

However, Part 2G.2, Division 9 of the Corporations Act provides that if at least 25% of the votes cast on this Resolution are voted against the adoption of the Remuneration Report at the Annual General Meeting, then:

- (a) if comments are made on the Remuneration Report at the Annual General Meeting, the Company's Remuneration Report for the next financial year will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reason for this; and
- (b) if at the next Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report are against such adoption, the Company will be required to put to Shareholders a resolution proposing that a general meeting be called to consider the election of Directors of the Company (**Spill Resolution**). If a Spill Resolution is passed, all of the Directors, other than the managing director, will cease to hold office at the subsequent general meeting, unless re-elected at that meeting.

2.3 Voting exclusion and Directors' recommendations

As set out in the notes to this Resolution, a voting exclusion statement applies with respect to the voting on this Resolution by certain persons connected to the Company.

As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with section 250R(2) of the Corporations Act, makes no recommendations regarding this Resolution.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of this Resolution, subject to compliance with the Corporations Act.

3. Resolution 2: Re-election of Professor Gene Tyson

3.1 Purpose of Resolution

Professor Gene Tyson retires in accordance with rule 39.1(c) of the Constitution and ASX Listing Rule 14.5, and being eligible, offers himself for re-election as a Director.

This Resolution is an ordinary resolution.

3.2 The law

Rule 39.1(c) of the Constitution provides that at each annual general meeting, one third of the Directors for the time being must retire from office and will be eligible for re-election.

ASX Listing Rule 14.5 requires that a listed company must have at least one director stand for election or re-election at each annual general meeting.

Given the Company has six Directors, the Company agreed that Professor Gene Tyson would stand down and offer himself for re-election in the Company's first year as a company listed on the ASX.

3.3 Director resume

Professor Tyson is a Professor of Microbial Genomics at The Queensland University of Technology and is the director of the Centre for Microbiome Research.

He published the first paper regarding the use of metagenomic-sequencing for assessing microbial communities. Professor Tyson is considered a world leading expert in microbial analysis with previous tenure at the University of California, Massachusetts Institute of Technology and the University of Queensland.

Professor Tyson holds a Bachelor of Science (Hons) from the University of Queensland and a PhD from the University of California, Berkeley.

3.4 Director independence

The Board considers that Professor Gene Tyson is non-independent given he has a relevant interest in approximately 4.92% of the issued capital as at the date of this Notice Annual General Meeting.

3.5 Voting exclusion and Directors' recommendations

The Board (with Professor Gene Tyson abstaining) recommends that Shareholders vote in favour of this Resolution. The Chair of the Annual General Meeting intends to vote undirected proxies in favour of this Resolution.

4. Resolution 3: Re-election of Mr Richard Bund

4.1 Purpose of Resolution

Mr Richard Bund retires in accordance with rule 39.1(c) of the Constitution and ASX Listing Rule 14.5, and being eligible, offers himself for re-election as a Director.

This Resolution is an ordinary resolution.

4.2 The law

Rule 39.1(c) of the Constitution provides that at each annual general meeting, one third of the Directors for the time being must retire from office and will be eligible for re-election.

ASX Listing Rule 14.5 requires that a listed company must have at least one director stand for election or re-election at each annual general meeting.

Given the Company has six Directors, the Company agreed that Mr Richard Bund would stand down and offer himself for re-election in the Company's first year as a company listed on the ASX.

4.3 Director resume

Mr Bund is a Chartered Accountant and Director of Equipe Advisory a South Australia based accounting and advisory firm.

Mr Bund has more than 25 years' experience in accounting and corporate finance and is a director of several private Australian companies.

Mr Bund is a member of Chartered Accountants Australia & New Zealand (CAANZ). He holds a Bachelor of Commerce (Accounting) from the University of Adelaide and a Graduate Diploma in Chartered Accounting from the Institute of Chartered Accountants Australia (ICAA).

4.4 Director independence

The Board considers that Mr Richard Bund is non-independent given he has relevant interest in approximately 8.99% of the issued capital as at the date of this Notice Annual General Meeting.

4.5 Voting exclusion and Directors' recommendations

The Board (with Mr Richard Bund abstaining) recommends that Shareholders vote in favour of this Resolution.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of this Resolution.

5. Resolution 4: Issue of Director Options to a Related Party – Ms Jacqueline Fernley

5.1 Purpose of Resolution

The Company has agreed, subject to obtaining Shareholder approval, that Ms Jacqueline Fernley (or her nominee), a Director of the Company, be issued 200,000 Director Options pursuant to the Employee Incentive Plan.

Resolution 4 seeks Shareholder approval for the issue of these Director Options for the purposes of ASX Listing Rule 10.14.

The rationale for the grant of the Director Options to Ms Jacqueline Fernley is detailed in paragraphs 5.2 and 5.3 below.

This Resolution is an ordinary resolution.

5.2 Regulatory requirements

Chapter 2E of the Corporations Act

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 Director Options constitutes giving a financial benefit and Ms Jacqueline Fernley is a related party of the Company by virtue of being a Director.

The Directors (other than Ms Jacqueline Fernley who abstains from considering this matter due to her material personal interest in the matter) consider that the issue of the Director Options to Ms Jacqueline Fernley (or her nominee) is reasonable remuneration which falls within the exception in section 211 of the Corporations Act, and accordingly, Shareholder approval is not required for the purpose of section 208 of the Corporations Act.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

5.3 Information required pursuant to ASX Listing Rule 10.15

The following information is provided to satisfy the requirements of ASX Listing Rule 10.15 (being the information required to be disclosed for the purposes of ASX Listing Rule 10.14).

Name of the Person:	Ms Jacqueline Fernley is a non-executive Director of the Company and consequently a related party of the Company.																				
Which category in ASX Listing Rule 10.14.1-10.14.3 the person falls within and why:	Ms Jacqueline Fernley is a Director of the Company and so falls within ASX Listing Rule 10.14.1.																				
Number and class of securities proposed to be issued to the person for which approval is being sought:	The number of Director Options to be issued and for which approval is being sought is 200,000.																				
Details of the Director's current total remuneration package:	<p>The remuneration and emoluments from the Company to Ms Jacqueline Fernley for the previous financial year and the proposed remuneration and emoluments for the current financial year are set out below:</p> <p><u>Financial year ended 30 June 2023</u></p> <table border="1"> <thead> <tr> <th>Name</th> <th>Salary and fees</th> <th>Super</th> <th>Options</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Ms Jacqueline Fernley</td> <td>\$40,833</td> <td>Nil</td> <td>Nil</td> <td>\$40,833</td> </tr> </tbody> </table> <p><u>Financial year ending 30 June 2024 (expected pending no changes to current arrangements)</u></p> <table border="1"> <thead> <tr> <th>Name</th> <th>Salary and fees</th> <th>Super</th> <th>Options</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Ms Jacqueline Fernley</td> <td>\$50,000</td> <td>Nil</td> <td>\$7,533¹</td> <td>\$57,533</td> </tr> </tbody> </table> <p>Note 1: Reflects one-third of the value of the Options over the vesting period for Director Options. Refer to Schedule 2 for further information.</p>	Name	Salary and fees	Super	Options	Total	Ms Jacqueline Fernley	\$40,833	Nil	Nil	\$40,833	Name	Salary and fees	Super	Options	Total	Ms Jacqueline Fernley	\$50,000	Nil	\$7,533 ¹	\$57,533
Name	Salary and fees	Super	Options	Total																	
Ms Jacqueline Fernley	\$40,833	Nil	Nil	\$40,833																	
Name	Salary and fees	Super	Options	Total																	
Ms Jacqueline Fernley	\$50,000	Nil	\$7,533 ¹	\$57,533																	

<p>The number of securities that have previously been issued under the Company's Incentive Plan to the person and the average acquisition price (if any) paid by the person for those securities:</p>	<p>Since the Employee Incentive Plan was adopted on 27 September 2021, no securities have been issued under the Employee Incentive Plan to Ms Jacqueline Fernley.</p>														
<p>A summary of the material terms of the securities and the Employee Incentive Plan:</p>	<p>The Director Options will be issued as follows:</p> <table border="1" data-bbox="624 577 1428 1106"> <thead> <tr> <th>Options</th> <th>Exercise Price</th> <th>Vesting Date</th> <th>Exercise Period</th> </tr> </thead> <tbody> <tr> <td>67,000</td> <td rowspan="3">50% premium, to the VWAP for the 5 days up to and including the day prior to the date of issue</td> <td>12 months following the issue date</td> <td>Commencing on the Vesting Date and ending 37 months following the issue date</td> </tr> <tr> <td>67,000</td> <td>24 months following the issue date</td> <td>Commencing on the Vesting Date and ending 37 months following the issue date</td> </tr> <tr> <td>66,000</td> <td>36 months following the issue date</td> <td>Commencing on the Vesting Date and ending 37 months following the issue date</td> </tr> </tbody> </table> <p>Refer to Schedule 1 for a summary of the terms of issue of the Director Options and the Employee Incentive Plan.</p>	Options	Exercise Price	Vesting Date	Exercise Period	67,000	50% premium, to the VWAP for the 5 days up to and including the day prior to the date of issue	12 months following the issue date	Commencing on the Vesting Date and ending 37 months following the issue date	67,000	24 months following the issue date	Commencing on the Vesting Date and ending 37 months following the issue date	66,000	36 months following the issue date	Commencing on the Vesting Date and ending 37 months following the issue date
Options	Exercise Price	Vesting Date	Exercise Period												
67,000	50% premium, to the VWAP for the 5 days up to and including the day prior to the date of issue	12 months following the issue date	Commencing on the Vesting Date and ending 37 months following the issue date												
67,000		24 months following the issue date	Commencing on the Vesting Date and ending 37 months following the issue date												
66,000		36 months following the issue date	Commencing on the Vesting Date and ending 37 months following the issue date												
<p>Explanation of why the type of security is being used:</p>	<p>All Directors other than Ms Jacqueline Fernley note that:</p> <ul style="list-style-type: none"> the grant of the Director Options to Ms Jacqueline Fernley are a means of retaining on the Board, persons of the calibre and with the skills and experience that Ms Jacqueline Fernley has and align the interests of Ms Jacqueline Fernley with those of Shareholders; the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Director; it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Director Options upon the terms proposed; and the Director Options will reward her for achieving increases in the Company's value as determined by the market price of Shares. For this last reason, the exercise price is set at a 50% premium to the 5-day VWAP for the 5 days up to and including the day prior to the date of issue. 														
<p>Value the entity attributes to the security and its basis:</p>	<p>The value of the Director Options and the pricing methodology is set out in Schedule 2 to this Notice of Annual General Meeting.</p>														
<p>The date by which the Company will issue the securities to the person under the Employee Incentive Plan:</p>	<p>The Director Options will be issued on or around mid-December 2023 following approval of this Resolution but in any event, no later than three years after the date of the Annual General Meeting.</p>														

The price at which the Company will issue the securities to the person under the Employee Incentive Plan:	The Director Options will be issued for \$nil consideration. The Director Options will have an exercise price as detailed below.
A summary of the material terms of any loan that will be made to the person in relation to the issue of the securities:	The Company will not provide loans to participants to acquire securities under the Employee Incentive Plan.
Other:	<p>Details of any securities issued under the Employee Incentive 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.</p> <p>Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the Employee Incentive Plan after the Resolution is approved and who were not named in the Notice of Annual General Meeting will not participate until approval is obtained under that rule.</p>
Voting exclusion statement	A voting exclusion statement is contained in the Notice of Annual General Meeting.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Options to Ms Jacqueline Fernley (or her nominee) as approval is being obtained under ASX Listing Rule 10.14. Accordingly, under ASX Listing Rule 7.2 exception 14, the issue of Director Options to Ms Jacqueline Fernley (or her nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

5.4 **Voting exclusion and Directors' recommendations**

The Board (with Ms Jacqueline Fernley abstaining) recommends that Shareholders vote in favour of this Resolution.

This Resolution is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

A voting exclusion statement is contained after the Resolution. Votes cast by Shareholders contrary to the voting exclusion statement will be disregarded.

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

6. Resolution 5: Authority to issue the Consideration Shares

6.1 **General**

On 19 October 2023, the Company announced the proposed acquisition by Microba UK of 100% of the issued share capital of Invivo (**Proposed Acquisition**).

Subject to Shareholder approval, the Company intends to issue Consideration Shares to each of the shareholders of Invivo as part consideration for the Proposed Acquisition.

The number of Consideration Shares that will be issued in total will be determined by dividing the Australian dollar equivalent of £1,500,000 by the VWAP of the Shares of the Company during the 20 Trading Days in which trades in the Company Shares were recorded ending on the 5th Trading Day prior to completion of the Proposed Acquisition.

For full details on the Proposed Acquisition of Invivo, refer to the ASX Announcement dated 19 October 2023 at <https://ir.microba.com/asx-announcements/>.

Resolution 5 is an ordinary resolution.

6.2 ASX Listing Rule 7.1

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 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.

The proposed issue of the Consideration Shares does not fall within any of these exceptions and may exceed the 15% limit in ASX Listing Rule 7.1 (given the Company had insufficient placement capacity at the time the Share Sale and Purchase Agreement was entered into). It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 7.1.

Resolution 5 seeks the required Shareholder approval to the issue of the Consideration Shares under and for the purposes of ASX Listing Rule 7.1.

If Resolution 5 and Resolution 6 are passed, the Company will be able to proceed with the issue of the Consideration Shares and the Proposed Acquisition. In addition, the issue of the Consideration Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If any of Resolution 5 or Resolution 6 are not passed, the Company will not be able to proceed with the issue of the Consideration Shares or the Proposed Acquisition.

6.3 Technical information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, information regarding the issue of the Consideration Shares is provided as follows:

<p>The names of the persons to whom the Company will issue the securities:</p>	<p>The Consideration Shares will be issued to the shareholders of Invivo, being the holders of 100% of the issued share capital in Invivo. These sellers are exempt from disclosure under the <i>Financial Services and Markets Act 2000</i> of the United Kingdom.</p>
<p>The number and class of securities that will be issued:</p>	<p>The Consideration Shares are ordinary shares in Microba.</p> <p>The number of Consideration Shares that will be issued in total, will be determined by dividing the Australian dollar equivalent of £1,500,000 by the VWAP of the Shares of the Company during the 20 Trading Days in which trades in the Company Shares were recorded ending on the 5th Trading Day prior to the Completion date for the Proposed Acquisition.</p> <p>The Company will determine the Australian dollar equivalent of £1,500,000 (as at the close of business in Brisbane, Australia on the business day prior to Completion) based on an average of the exchange rates for the previous five business days, from pounds sterling (£) to AU\$, as published online by the Financial Times (FT.com).</p> <p>By way of example:</p> <p><u>Example 1</u></p> <ul style="list-style-type: none"> • If the Australian dollar equivalent of £1,500,000 is A\$2,800,800. • If the 20 Trading Day VWAP of Microba Shares is A\$0.36. • Then the Consideration Shares to be issued will be calculated at 7,777,777 Consideration Shares. • Assuming 347,768,148 Shares on issue at the date of issue of the Consideration Shares, this would reflect 2.24% of Shares. <p><u>Example 2</u></p> <ul style="list-style-type: none"> • If the Australian dollar equivalent of £1,500,000 is A\$3,000,000;

	<ul style="list-style-type: none"> • If the 20 Trading Day VWAP of Microba Shares is A\$0.30. • Then the Consideration Shares to be issued will be calculated at 10,000,000 Consideration Shares; • Assuming 347,768,148 Shares on issue at the date of issue of the Consideration Shares, this would reflect 2.88% of Shares.
The date on which the securities are proposed to be issued:	<p>The Consideration Shares will be issued no later than three months after the date of the Annual General Meeting (or such later date to the extent permitted by an ASX waiver or modification of the ASX Listing Rules).</p> <p>It is anticipated that the Consideration Shares will be issued in early-mid December 2023 on completion of the Proposed Acquisition.</p>
The issue price:	The Consideration Shares will be issued at the VWAP of the Shares of the Company during the 20 Trading Days in which trades in the Company were recorded ending on the 5 th Trading Day prior to the Completion date for the Proposed Acquisition.
The purpose of the issue or intended use of the funds raised from the issue:	The Consideration Shares are proposed to be issued as part consideration for the acquisition of 100% of the issued share capital in Invivo.
The terms of the securities:	The Consideration Shares comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
If the securities are being issued under an agreement, a summary of the material terms of the agreement:	<p>The Consideration Shares are to be issued on the terms of the Share Sale and Purchase Agreement. A summary of the material terms is provided below:</p> <ul style="list-style-type: none"> • <u>Sale and Purchase:</u> Under the Share Sale and Purchase Agreement, Microba UK, a wholly owned subsidiary of the Company will buy, and the holders of the shares in Invivo (Sellers) will sell, 100% of the issued share capital in Invivo. • <u>Up-Front Consideration:</u> Approximately £6,500,000 (subject to customary locked-box adjustments) will be paid to the Sellers on Completion by: <ul style="list-style-type: none"> ○ up-front cash consideration of approximately £5,000,000 (subject to customary locked-box adjustments); and ○ up-front non-cash consideration of £1,500,000 in the form of ordinary shares in Microba (Consideration Shares). The number of Consideration Shares to be issued will be determined by dividing the A\$ equivalent of £1,500,000 by the VWAP of the Shares of the Company during the 20 Trading Days in which trades in the Company were recorded ending on the 5th Trading Day prior to the Completion date for the Proposed Acquisition. • <u>Escrow:</u> 100% of the Consideration Shares and Earn-Out Shares will be escrowed for 24 months from their respective dates of issue. • <u>Earn-Out Consideration:</u> There is an earn-out of a maximum amount of £4,500,000 which is subject to Invivo achieving revenue targets over a 2-year period (Earn-out Consideration). The Earn-out Consideration will be paid in cash and by way of Microba Shares (Earn-Out Shares) (but subject to Invivo achieving revenue targets). The revenue targets relate to DFH revenue, being revenue derived from Invivo's contract with Designs for Health, and non-DFH revenue. <p><u>Maximum amount of Earn-Out Consideration</u></p>

The maximum amount that may be paid as part of the Earn-Out Consideration is as follows:

- **Year 1** – A maximum of £1,500,000 payable in cash and £750,000 payable in Earn-Out Shares. This is allocated as follows:
 - With respect to revenue from the contract with Designs for Health (DFH Revenue) – if the maximum is achieved:
 - £666,667 payable in cash; and
 - £333,333 payable in Earn-Out Shares,

(Year 1 DFH Earn-Out)

If the DFH Revenue is insufficient to trigger payment of the Year 1 DFH Earn-Out, the Year 1 DFH Earn-Out will nonetheless be payable if Invivo's total revenue target (**Y1 Total Earn-Out 100% Target**) is achieved.

- With respect to revenue other than DFH Revenue (Non-DFH Revenue) – if the maximum is achieved:
 - £833,333 payable in cash; and
 - £416,667 payable in Earn-Out Shares,

(Year 1 Non-DFH Earn-Out)

- **Year 2** – A maximum of £1,500,000 payable in cash and £750,000 payable in Earn-Out Shares. This is allocated as follows:

- With respect to DFH Revenue – if the maximum is achieved:
 - £666,667 payable in cash; and
 - £333,333 payable in Earn-Out Shares,

(Year 2 DFH Earn-out)

If DFH Revenue is insufficient to trigger payment of the Year 2 DFH Earn-Out, the Year 2 DFH Earn-Out will nonetheless be payable if Invivo's total revenue target (**Y2 Total Earn-Out 100% Target**) is achieved.

- With respect to Non-DFH Revenue – if the maximum is achieved:
 - £833,333 payable in cash; and
 - £416,667 payable in Earn-Out Shares,

(Year 2 Non-DFH Earn-Out)

The amount of the Earn-Out Consideration that may be paid is based on Invivo achieving revenue targets as presented below:

	Revenue Benchmark (last 12 months)	Y1 Earn-Out Target	Y2 Earn-Out Target
DFH Revenue (Revenue from the contract with Designs For Health (DFH Revenue))	Total DFH Revenue £1,266,550	Y1 DFH Earn-Out 100% Target £1,519,860 (Revenue Benchmark x 1.2)	Y2 DFH Earn-Out 100% Target £1,823,832 (Revenue Benchmark x 1.2 x 1.2)
		Y1 DFH Earn-Out 50% Target £1,456,532 (Revenue Benchmark x 1.15)	

Non-DFH Revenue (Invivo revenue excluding DFH Revenue)	Total Non-DFH Revenue £3,423,070	Y1 Non-DFH Earn-Out 100% Target £4,107,684 (Revenue Benchmark x 1.2)	Y2 Non-DFH Earn-Out Target £4,929,221 (Revenue Benchmark x 1.2 x 1.2)
		Y1 Non-DFH Earn-Out 50% Target £3,936,530 (Revenue Benchmark x 1.15)	
Total Revenue (Invivo revenue including DFH Revenue and Non-DFH Revenue)	Total Revenue £4,689,620	Y1 Total Earn-Out 100% Target £5,627,544 (Revenue Benchmark x 1.2)	Y2 Total Earn-Out 100% Target £6,753,052 (Revenue Benchmark x 1.2 x 1.2)
		Y1 Total Earn-Out 50% Target £5,393,062 (Revenue benchmark x 1.15)	

Calculation of cash and Earn-Out Shares

Year 1 Earn-Out – Payable in cash and Earn-Out Shares

Should the year 1 actual DFH revenue:

- be greater than the Y1 DFH Earn-Out 100% Target, then the 100% of the Year 1 DFH Earn-Out will be paid to the Invivo Shareholders as follows:
 - £666,667 cash; and
 - £333,333 Earn-Out Shares.
- be greater than the Y1 DFH Earn-Out 50% Target (but less than the Y1 DFH Earn-Out 100% Target), 50% of the Year 1 DFH Earn-Out will be paid to the Invivo Shareholders as follows:
 - £333,333 cash; and
 - £166,667 Earn-Out Shares.
- be lower than the Y1 DFH Earn-Out 100% Target, but the Year 1 Total Revenue is higher than the Y1 Total Revenue 100% Target, an amount equal to the Year 1 DFH Earn-Out will be payable as if the Y1 DFH Earn-Out 100% Target had been achieved.
- be lower than the Y1 DFH Earn-Out 50% Target, but the Year 1 Total Revenue is higher than the Y1 Total Revenue 50% Target (but lower than the Y1 Total Revenue 100% Target), an amount equal to 50% of the Year 1 DFH Earn-Out will be payable as if the Y1 DFH Earn-Out 50% Target had been achieved.

Should the year 1 actual non-DFH revenue:

- be greater than the Y1 Non-DFH Earn-Out 100% Target, 100% of the Year 1 Non-DFH Earn-Out will be paid to the Invivo Shareholders as follows:
 - £833,333 cash; and
 - £416,667 Earn-Out Shares.

- be greater than the Y1 Non-DFH Earn-Out 50% Target (but less than the Y1 Non-DFH Earn-Out 100% Target), 50% of the Year 1 Non-DFH Earn-Out will be paid to the Invivo Shareholders as follows:
 - £416,667 cash; and
 - £208,333 Earn-Out Shares.
- be less than the Y1 Non-DFH Earn-Out 50% Target, no Year 1 Non-DFH Earn-Out will be paid.

Where the Year 1 Earn-Out Consideration is settled by the issue of Earn-Out Shares (**Year 1 Earn-out Shares**), the number of Year 2 Earn-Out Shares to be issued will be determined by dividing the amount to be paid in Earn-Out Consideration Shares by the 20 Trading Day VWAP.

The Year 1 Earn-Out Shares will be subject to a VWAP floor price of A\$0.10 and an overall maximum number of 15,000,000 Earn-Out Shares.

In the event the maximum number of 15,000,000 Earn-Out Shares is reached, the balance unpaid in shares, will be payable in cash.

See worked examples in this paragraph above.

Year 2 Earn-Out – Payable in cash and Earn-Out Shares

Should the year 2 actual DFH Revenue:

- be greater than the Y2 DFH Earn-Out Target, the Year 2 DFH Earn-Out will be paid to the Invivo Shareholders as follows:
 - £666,667 cash; and
 - £333,333 Earn-Out Shares.
- be lower than the Y2 DFH Earn-Out Target, but the Year 2 Total Revenue is higher than the Y2 Total Revenue Target, an amount equal to 100% of the Year 2 DFH Earn-Out will be payable as if the Y2 DFH Earn-Out Target had been achieved.

Should the year 2 actual Non-DFH Revenue:

- be greater than the Y2 Non-DFH Earn-Out Target, the Year 2 Non-DFH Earn-Out will be paid to the Invivo Shareholders as follows:
 - £833,333 cash; and
 - £416,667 Earn-Out Shares.
- be less than the Y2 Non-DFH Earn-Out Target, no Year 2 Non-DFH Earn-Out will be paid.

Where the Year 2 Earn-Out Consideration is settled by the issue of Earn-Out Shares (**Year 2 Earn-Out Shares**), the number of Year 2 Earn-Out Shares to be issued will be determined by dividing the amount to be paid in Earn-Out Consideration Shares by the 20-day VWAP.

The Year 2 Earn-Out Shares will be subject to a VWAP floor price of A\$0.10 and an overall maximum number of 15,000,000 Earn-Out Shares.

In the event the maximum number of 15,000,000 Earn-Out Shares is reached, the balance unpaid in shares, will be payable in cash.

- **Condition Precedent:** Microba and the Invivo shareholders are only obliged to complete the Proposed Acquisition if:
 - the Company receives shareholder approval under ASX Listing Rule 7.1 for the issue of the Consideration Shares and Earn-Out Shares (this Resolution 5 and Resolution 6)F
- **Completion Date:** Completion will be on the day which is 3 business days after the Condition Precedent (above) is satisfied. As such, it is anticipated that the date of completion will be 5 December 2023 (London time).
- **Guarantee and indemnity by Microba:** Given the buyer of Invivo is Microba UK, a wholly owned subsidiary of Microba, Microba has provided a customary guarantee guaranteeing to the Sellers, the due and punctual performance of the obligations of Microba UK under the Share Sale and Purchase Agreement. This guarantee is supported by a customary indemnity.

Voting exclusion statement:	A voting exclusion statement is contained in Resolution 5.
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6.4 Recommendation and voting requirements

The Directors recommend that Shareholders approve this Resolution.

This Resolution is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

A voting exclusion statement is contained after the Resolution. Votes cast by Shareholders contrary to the voting exclusion statement will be disregarded.

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

7. Resolution 6: Authority to issue the Earn-Out Shares

7.1 General

On 19 October 2023, the Company announced the proposed acquisition by Microba UK of 100% of the issued share capital of Invivo (**Proposed Acquisition**).

It is proposed that the earn-out consideration (**Earn-out Consideration**) will be paid in cash and by way of Microba Shares (**Earn-Out Shares**).

The amount of the Earn-Out Consideration is subject to Invivo achieving revenue targets over two years. The revenue targets relate to DFH revenue, being the revenue derived from Invivo's contract with Designs for Health, and non-DFH revenue.

Subject to Shareholder approval, the Company intends to issue Earn-Out Shares to each of the shareholders of Invivo as part consideration for the Proposed Acquisition.

A snapshot of the proposed earn-out is provided below:

Revenue Target	Revenue Target amount to be satisfied	Earn-Out Shares and Earn-Out cash
Year 1		
Y1 DFH Earn-Out 100% Target	If Invivo achieves more than £1,519,860 from revenue derived from Invivo's contract with Designs for Health. Should the revenue amount be lower than the Y1 DFH Earn-Out 100% Target, but the Year 1 Total Revenue for Invivo is higher than the Y1 Total Revenue 100% Target, an amount equal to the Year 1 DFH Earn-Out will be payable as if the Y1 DFH Earn-Out 100% Target had been achieved.	Year 1 DFH Earn-out Earn-Out Shares to the value of £333,333 will be issued £666,667 will be payable in cash
Y1 DFH Earn-Out 50% Target	More than £1,456,532 but less than £1,519,860 from revenue derived from Invivo's contract with Designs for Health. Should the revenue amount be lower than the Y1 DFH Earn-Out 50% Target, but the Year 1 Total Revenue for Invivo is higher than the Y1 Total Revenue 50% Target (but lower than the Y1 Total Revenue 100% Target), an amount equal to 50% of the Year 1 DFH Earn-Out will	Year 1 DFH Earn-Out Earn-Out Shares to the value of £166,667 will be issued £333,333 will be payable in cash

	be payable as if the Y1 DFH Earn-Out 50% Target had been achieved.	
Y1 Non-DFH Earn-Out 100% Target	If Invivo achieves more than £4,107,684 from revenue not derived from Invivo's contract with Designs for Health.	Year 1 Non-DFH Earn-Out Earn-Out Shares to the value of £416,667 will be issued £833,333 will be payable in cash
Y1 Non-DFH Earn-Out 50% Target	If Invivo achieves more than £3,936,530 but less than £4,107,684 from revenue not derived from Invivo's contract with Designs for Health.	Year 1 Non-DFH Earn-out Earn-Out Shares to the value of £208,333 will be issued £416,667 will be payable in cash
Year 2		
Y2 DFH Earn-Out Target	If Invivo achieves more than £1,823,832 from revenue derived from Invivo's contract with Designs for Health. Should the revenue amount be lower than the Y2 DFH Earn-Out Target, but the Year 2 Total Revenue for Invivo is higher than the Y2 Total Revenue Target, an amount equal to the Year 2 DFH Earn-Out will be payable as if the Y2 DFH Earn-Out Target had been achieved.	Year 2 DFH Earn-out) Earn-Out Shares to the value of £333,333 will be issued £666,667 will be payable in cash
Y2 Non-DFH Earn-Out Target	If Invivo achieves more than £4,929,221 from revenue not derived from Invivo's contract with Designs for Health.	(Year 2 Non-DFH Earn-out Earn-Out Shares to the value of £416,667 will be issued £833,333 will be payable in cash
Maximum (Year 1 and Year 2)		A maximum of Earn-Out Shares to the value of £1,500,000

For full details on the Proposed Acquisition of Invivo, refer to the ASX Announcement dated 19 October 2023 at <https://ir.microba.com/asx-announcements/>

Resolution 6 is an ordinary resolution.

7.2 ASX Listing Rule 7.1

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 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.

The proposed issue of the Earn-Out Shares does not fall within any of the relevant exceptions and may exceed the 15% limit in ASX Listing Rule 7.1 (given the Company had insufficient placement capacity at the time the Share Sale and Purchase Agreement was entered into). It therefore requires the approval of the Company's Shareholders under ASX Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval to the issue of the Earn-Out Shares under and for the purposes of ASX Listing Rule 7.1.

If Resolution 5 and 6 are passed, the Company will be able to proceed with the issue of the Earn-Out Shares and the Proposed Acquisition. In addition, the issue of the Earn-Out Shares

will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under ASX Listing Rule 7.1.

If any of Resolution 5 or 6 are not passed, the Company will not be able to proceed with the issue of the Earn-Out Shares or the Proposed Acquisition.

7.3 Technical information required by ASX Listing Rule 7.3

For the purposes of ASX Listing Rule 7.3, information regarding the issue of the Earn-Out Shares is provided as follows:

<p>The names of the persons to whom the Company will issue the securities:</p>	<p>Subject to satisfaction of the Y1 Earn-Out Target and Y2 Earn-Out Target, the Earn-Out Shares will be issued to the shareholders of Invivo, being the holders of 100% of the issued share capital in Invivo. These sellers are exempt from disclosure under the <i>Financial Services and Markets Act 2000</i> of the United Kingdom.</p>
<p>The number and class of securities that will be issued:</p>	<p>A maximum of £1,500,000 may be payable in Earn-Out Shares to the shareholders of Invivo across year 1 and year 2.</p> <p>Refer to paragraph 7.1 for further details on how this number is determined.</p> <p>The Earn-Out Shares are ordinary shares in Microba.</p> <p>The number of Earn-Out Shares that will be issued in total, will be determined by dividing the Australian dollar equivalent of the relevant amount to be issued in Earn-Out Shares by the VWAP of the Shares of the Company during the 20 Trading Days in which trades in the Company's Shares were recorded ending on the Earn-Out Date (and subject to a VWAP floor price and a maximum number of Earn-Out Shares). It is anticipated the Earn-Out Date will be November 2024 for Year 1 and November 2025 for Year 2.</p> <p>The Company will determine the Australian dollar equivalent of the relevant amount (as at the close of business in Brisbane Australia on the business day prior to the end of the 12-month period ending on the first anniversary of the last day of the calendar month prior to the month in which Completion takes place) based on an average of the exchange rates for the previous five days, from pounds sterling (£) to AU\$, as published online by the Financial Times (FT.com). The calculation of the Earn-Out Shares is subject to a VWAP floor price of \$0.1 and a maximum number of Earn-Out Shares (as detailed below).</p> <p>By way of example:</p> <p>Example 1</p> <p>If the Y1 DFH Earn-Out 100% Target is satisfied:</p> <ul style="list-style-type: none"> • If the Australian dollar equivalent of £333,333 is A\$666,666. • If the 20 Trading Day VWAP of Microba Shares is A\$0.36. • Then the Earn-Out Shares to be issued will be calculated at 1,851,850 Earn-Out Shares. • Assuming 347,768,148 Shares on issue at the date of issue of the 1,851,850 Earn-Out Shares, this would reflect 0.53% of Shares. <p>Example 2</p> <p>If the Y1 Non-DFH Earn-Out 100% Target is satisfied:</p> <ul style="list-style-type: none"> • If the Australian dollar equivalent of £416,667 is A\$833,334; • If the 20 Trading Day VWAP of Microba Shares is A\$0.30. • Then the Earn-Out to be issued will be calculated at 2,777,780 Earn-Out Shares. • Assuming 347,768,148 Shares on issue at the date of issue of the 2,777,780 Earn-Out Shares, this would reflect 0.79% of Shares. <p>Example 3</p> <p>If the Y2 DFH Earn-Out 100% Target is satisfied:</p> <ul style="list-style-type: none"> • If the Australian dollar equivalent of £333,333 is A\$666,666. • If the 20 Trading Day VWAP of Microba Shares is A\$0.15.

	<ul style="list-style-type: none"> • Then the Earn-Out Shares to be issued will be calculated at 4,444,440 Earn-Out Shares. • Assuming 347,768,148 Shares on issue at the date of issue of the 4,444,440 Earn-Out Shares, this would reflect 1.277% of Shares. <p>Example 4</p> <p>If the Y2 Non-DFH Earn-Out 100% Target is satisfied:</p> <ul style="list-style-type: none"> • If the Australian dollar equivalent of £416,667 is A\$833,334. • If the 20 Trading Day VWAP of Microba Shares is A\$0.10. • Then the Earn-Out to be issued will be calculated at 8,333,340 Earn-Out Shares. • Assuming 347,768,148 Shares on issue at the date of issue of the 8,333,340 Earn-Out Shares, this would reflect 2.39% of Shares. <p>Maximum number of Earn-Out Shares</p> <p>The number of Earn-Out Shares to be issued is subject to:</p> <ul style="list-style-type: none"> • a 20 Trading Day VWAP floor price of \$0.10; and • a maximum of 15,000,000 Earn-Out Shares for each of Year 1 and Year 2. <p>This number was determined based on an assumed currency exchange of £1.00 : A\$2.00 (with respect to the £1,500,000 that could be issued in Earn-Out Shares across both years) and a 20 Trading Day VWAP of \$0.10.</p> <p>In the event more Earn-Out Shares should have been issued than the 15,000,000 maximum number, then the difference between the amount of the earn-out and the maximum number of Earn-Out Shares will be paid in cash.</p> <p>By way of example:</p> <p><i>Y1 DFH Earn-Out 100% Target and Y1 Non-DFH Earn-Out 100% Target achieved:</i></p> <p>The Invivo Sellers will receive £2,250,000 payable as follows:</p> <ul style="list-style-type: none"> ○ For the DFH component: <ul style="list-style-type: none"> ➤ £666,667 payable in cash; and ➤ £333,333 payable in in Earn-out Shares; ○ For the Non-DFH component: <ul style="list-style-type: none"> ➤ £833,333 payable in cash; and ➤ £416,667 payable in in Earn-Out Shares; ○ Given the Earn-Out Share component is £750,000: <ul style="list-style-type: none"> ➤ if the Australian dollar equivalent of £750,000 is A\$1,500,000; ➤ If the 20 Trading Day VWAP of Earn-Out Shares is A\$0.05, <p>Then without applying the VWAP floor or maximum share number, the Earn-out Shares to be issued will be calculated at 30,000,000 Earn-out Shares (A\$1,500,000 / A\$0.05).</p> ○ On the basis that the maximum number of Earn-out Shares is 15,000,000, then: <ul style="list-style-type: none"> ➤ the maximum 15,000,000 Earn-Out Shares will be issued; and ➤ the balance of the A\$750,000 (A\$1,500,000 – A\$750,000) will be paid in cash.
<p>The date on which the securities are proposed to be issued:</p>	<p>The Earn-Out Shares will be issued after the number of Earn-Out Shares (if any) is determined and agreed. This is likely to be in or about December 2024 for the Year 1 Earn-Out Shares and December 2025 for the Year 2 Earn-Out Shares.</p> <p><i>On 18 October 2023, Microba received a waiver of ASX Listing Rule 7.3.4, such that the Earn-Out Shares do not need to be issued within 3-months of Shareholders approving this Resolution on the following conditions:</i></p> <p><i>1.1 The Earn-Out Shares are to be issued upon satisfaction of the relevant Milestones and in any event no later than 30 June 2026.</i></p>

	<p>1.2 <i>The terms of the Earn-Out Shares must not be varied.</i></p> <p>1.3 <i>The maximum number of Earn-Out Shares to be issued is capped at 15,000,000 for each of the Year 1 Earn-Out and the Year 2 Earn-Out.</i></p> <p>1.4 <i>Adequate details regarding the dilutionary effect of the Earn-Out Shares on the Company's capital structure and adequate examples regarding the Milestones relating to the Earn-Out Shares are included in the Notice to ASX's satisfaction.</i></p> <p>1.5 <i>For any annual reporting period during which any of the Earn-Out Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Earn-Out Shares issued in that annual reporting period, the number of Earn-Out Shares that remain to be issued and the basis on which the Deferred Consideration Securities may be issued.</i></p> <p>1.6 <i>The Company's notice of meeting contains the material terms and conditions of the Share Sale and Purchase Agreement with Invivo as well as the conditions of this waiver.</i></p>
The issue price:	The Earn-Out Shares will be issued at the VWAP of the Shares of the Company during the 20 Trading Days in which trades in the Company's Shares were recorded ending on the Earn-Out Date.
The purpose of the issue or intended use of the funds raised from the issue:	The Earn-Out Shares are proposed to be issued as part of the consideration for the acquisition of 100% of the issued share capital in Invivo.
The terms of the securities:	The Earn-Out Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.
If the securities are being issued under an agreement, a summary of the material terms of the agreement:	The Earn-Out Shares are to be issued on the terms of the Share Sale and Purchase Agreement. A summary of the material terms is provided at paragraph 6.3.
Voting exclusion statement:	A voting exclusion statement is contained in Resolution 6.

7.4 Recommendation and voting requirements

The Directors recommend that Shareholders approve this Resolution.

This Resolution is an ordinary resolution and so requires the approval of more than 50% of the votes cast by Shareholders.

A voting exclusion statement is contained after the Resolution. Votes cast by Shareholders contrary to the voting exclusion statement will be disregarded.

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

8. Resolution 7: Approval of 10% Placement Facility

8.1 Purpose of Resolution

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 securities it had on issue at the start of that period.

Under ASX Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% (**10% Placement Facility**).

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$300 million or less.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% Placement Facility provided for in ASX Listing Rule 7.1A to issue Equity Securities without shareholder approval.

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

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

8.2 The law — Description of ASX Listing Rule 7.1A

(a) Shareholder Approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an Annual General Meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company, as at the date of the Notice of the Annual General Meeting, has on issue 347,768,148 Shares.

(c) Formula for Calculating the 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

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

A is the number of Shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid ordinary securities issued in the 12 months under an exception to ASX Listing Rule 7.2 other than exceptions 9, 16 or 17;
- (ii) plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within ASX Listing Rule 7.2 exception 9 where:
 - (A) the convertible securities were issued or agreed to be issued before the commencement of the 12-month period; or
 - (B) the issue of, or agreement to issue the convertible securities was approved or taken under these rules to have been approved under ASX Listing Rule 7.1 or 7.4;
- (iii) plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within ASX Listing Rule 7.2 exception 16 where:

- (A) the agreement was entered into before the commencement of the relevant period; or
- (B) the agreement or issue was approved, or taken under these rules to have been approved under ASX Listing Rule 7.1 or 7.4;
- (iv) plus the number of any other fully paid ordinary securities issued in the relevant period with approval under ASX Listing Rule 7.1 or 7.4;
- (v) plus the number of any other fully paid ordinary securities that became fully paid in the relevant period; and
- (vi) less the number of fully paid ordinary securities cancelled in the last 12 months.

Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the last 12 months immediately preceding the date of issue of the shares where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under ASX Listing Rule 7.4.

(d) **ASX Listing Rule 7.1 and ASX Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

In accordance with ASX Listing Rule 7.1, as at the date of this Notice of Annual General Meeting, the Company currently has on issue 347,768,148 Shares and the capacity to issue 52,165,222 Equity Securities from 2 December 2023 (based on this share number).

Under ASX Listing Rule 7.1A the Company requests an additional 10% capacity which will increase the total number of Equity Securities that can be placed without Shareholder approval to 86,942,037 for the next 12 months.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to paragraph (c) above).

(e) **Minimum Issue Price**

The Company may seek to issue the Equity Securities in consideration for cash only. The issue price of Equity Securities issued under ASX Listing Rule 7.1A must not be less than 75% of the VWAP of Equity Securities in the same 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; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by Shareholders of a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

8.3 **Effect of ASX Listing Rule 7.1A**

The effect of this Resolution will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1.

8.4 **Specific information required by ASX Listing Rule 7.3A**

In accordance with ASX Listing Rule 7.3A, information is provided as follows:

- (a) **Minimum price** - The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities 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; or
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) **Risk** - If this Resolution is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

- (c) **Dilution** - The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2 as at the date of the Notice of Annual General Meeting.

The table also shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro-rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Number of Shares on issue (Variable "A" in Listing ASX Rule 7.1A.2)	Dilution			
	No. of Shares issued under 10% placement capacity (10% voting dilution)	Issue price		
		\$0.1075	\$0.215	\$0.3225
		Issue price at 50% decrease to current price	Issue price at current price	Issue price at 50% increase in current price
		Funds raised		
Current Shares 347,768,148	34,776,814	\$3,738,507	\$7,477,015	\$11,215,522
50% increase to the current Shares 521,652,222	52,165,222	\$5,607,761	\$11,215,522	\$16,823,284
100% increase to the current Shares 695,536,296	69,553,629	\$7,477,015	\$14,954,030	\$22,431,045

* 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 ASX Listing Rule 7.1.

The table has been prepared on the following assumptions:

- (i) the Company issues the maximum number of Equity Securities available under the 10% Placement Facility;
 - (ii) no convertible securities (including any convertible securities issued under the 10% Placement Facility) are converted into Shares before the date of issue of the Equity Securities;
 - (iii) 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%;
 - (iv) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting;
 - (v) the table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
 - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares; and
 - (vii) The issue price is \$0.215 being the closing price of Shares on the ASX on 25 October 2023.
- (d) **Period of approval** - The Company will only issue the Equity Securities during the 10% Placement Period. The approval of this Resolution for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction

under ASX Listing Rule 11.1.2 (a significant change of the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

- (e) **Purpose of issue** - The Company may seek to issue the Equity Securities in consideration for cash only. In such circumstances, the Company intends to use the funds raised towards funding growth initiatives, as cash consideration for the acquisition of new assets and/or other investments, or as cash for general working capital purposes.
- (f) **Disclosure obligations** - The Company will comply with the disclosure obligations under ASX Listing Rule 7.1A.4. Namely, upon issue of any Equity Securities:
- (i) it will state in its announcement of the proposed issue under ASX Listing Rule 3.10.3 or in its application for quotation of the securities under ASX Listing Rule 2.7 that the securities are being issued under ASX Listing Rule 7.1A; and
 - (ii) give to the ASX immediately after the issue a list of names of the persons to whom the Equity Securities are issued and the number of Equity Securities issued to each.
- (g) **Allocation policy** - The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- The allottees under the 10% Placement Facility have not been determined as at the date of the Notice of Annual General Meeting but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (h) **Issues in prior 12 months** - The Company obtained shareholder approval under ASX Listing Rule 7.1A at the 2022 annual general meeting. In the past 12 months, the Company issued 27,435,799 Shares to Sonic Healthcare Limited.
- (i) **Voting Exclusion statement** - A voting exclusion statement is included in the Notice of Annual General Meeting. At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Annual General Meeting.

8.5 Voting exclusion and Directors' recommendations

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

This Resolution is a special resolution and so requires the approval of 75% or more of the votes cast by Shareholders.

The Chair of the Annual General Meeting intends to vote undirected proxies in favour of this Resolution.

9. Resolution 8: Renewal of proportional takeover approval provisions

9.1 General

Rule 91 of the Company's Constitution includes proportional takeover provisions which enable the Company to refuse to register shares acquired under a proportional takeover bid unless Shareholders approve the bid. Under the Corporations Act, proportional takeover provisions expire three years from adoption or renewal and may then be renewed.

The Company is seeking Shareholder approval to renew these provisions under the Corporations Act. The proportional takeover bid provisions in the Corporations Act are identical to those included in the Company's current Constitution.

A proportional takeover offer is a takeover offer where the offer made to each shareholder is only for a proportion of that shareholder's shares, and not for the shareholders entire shareholding.

9.1 Information requirements

The Corporations Act requires that the following information be provided to shareholders when they are considering the inclusion or renewal of a proportional takeover provision in the Constitution. The following information comprises the statement required under section 648G(5) of the Corporations Act.

(a) Effect of the provision

If a takeover offer is made under a proportional takeover bid for a class of the Company's securities, the Directors must ensure that a resolution to approve the takeover bid (**Approval Resolution**) is voted by the shareholders of the class of shares being bid, not less than 14 days before the last day of the bid period (**Deadline**).

The only persons entitled to vote on the Approval Resolution are those persons who, as at the end of the day on which the first offer under the takeover bid was made, held shares included in the bid class in respect of which the offer was made. The bidder under the takeover bid and its associates are not entitled to vote on the Approval Resolution.

Each person entitled to vote has one vote for each share in the relevant class held by the person at that time. The vote on the Approval Resolution is decided on a simple majority. The Approval Resolution will be taken to have been passed if more than 50% of votes are cast in favour of the Approval Resolution, otherwise it is taken to have been rejected.

The Directors will breach the Corporations Act if they fail to ensure the Approval Resolution is voted on. However, if the Approval Resolution is not voted on as at the end of the day before the Deadline, the Approval Resolution is taken to have been passed.

If the Approval Resolution is passed (or taken to have been passed) by the Shareholders, the transfer resulting from the bid must be registered if they comply with other provisions of the Corporations Act and the Constitution.

If the Approval Resolution is rejected, binding acceptances must be rescinded as soon as practicable after the Deadline, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn at the end of the Deadline. The proportional takeover provisions do not apply to full takeover bids.

Rule 91 of the Constitution will expire three years after its reinsertion into the Constitution, unless renewed by a further special resolution of shareholders.

(b) Reasons for proposing this special resolution

A proportional takeover bid involves an offer for only a proportion of each shareholder's securities, this may allow control of the Company to pass without shareholders having the chance to sell all their securities to the bidder and assist a bidder to take control of the company without payment of an adequate control premium.

Shareholders, other than the bidder and its associates, may be exposed to the risk of being left as a minority in the Company as well as the loss of potential to receive an adequate control premium for their remaining shares. The proportional takeover provisions lessen this risk because they allow shareholders to decide whether a proportional takeover bid is acceptable in principle, is appropriately priced and should be permitted to proceed.

(c) Knowledge of acquisition proposals

At the date this Notice of Annual General Meeting was prepared, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) Potential advantages and disadvantages

While the proportional takeover provisions have previously been in force under the Constitution, there have been no full or proportional takeover bids for the Company at any time since it listed. Therefore, there is no example against which to review the advantages or disadvantages of the provisions for the Directors and shareholders respectively.

The Directors consider that the proposed renewal of the proportional takeover provisions has no potential advantages or potential disadvantages for Directors because they remain free to make a recommendation on whether a proportional takeover bid should be approved.

The potential advantages of the proposed renewal of the proportional takeover provisions for Shareholders are:

- (i) Shareholders have the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (ii) the provisions may assist Shareholders to avoid being locked in as a minority;
- (iii) the bargaining power of Shareholders is increased, and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (iv) knowing the view of the majority of Shareholders may help each individual Shareholder assess the likely outcome of the proportional takeover bid and to decide whether to approve or reject that offer.

The potential disadvantages of the proposed renewal of the proportional takeover provisions for Shareholders are:

- (v) it may discourage offers of proportional takeover bids for shares in the Company and may depress the share price;
- (vi) Shareholders may lose an opportunity of selling some of their shares at a premium; and
- (vii) the likelihood of a proportional takeover bid being successful may be reduced.

The Directors consider that the potential advantages of the proportional takeover provisions for shareholders outweigh the potential disadvantages. In particular,

Shareholders as a whole are able to decide whether or not a proportional takeover bid should be permitted to proceed.

(e) **Shareholders may act**

If the special resolution to renew the proportional takeover provisions in Rule 91 of the Constitution is passed, Shareholders who together hold not less than 10% (by number) of the issued securities in a class of securities in the Company to which the provisions apply may, within 21 days after the day on which the special resolution is passed, apply to the Court to have the proportional takeover provisions set aside to the extent to which it relates to that class of shareholders.

On an application, the Court may make an order setting aside the proportional takeover provisions if it is satisfied that it is appropriate in all the circumstances to do so. Otherwise, the Court must discuss the application. Unless and until an application is final determined by the making of an order setting aside the proportional takeover provision, the Company is taken for all purposes to have validly included the proportional takeover provision applying to that class of Shareholders.

9.2 **Voting exclusion and Directors' recommendations**

The Directors recommend that Shareholders approve this Resolution.

This Resolution is a special resolution and so requires the approval of 75% or more of the votes cast by Shareholders.

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

Schedule 1 – Employee Incentive Plan

Terms	Description
Purpose	The purpose of the Employee Incentive Plan (Plan) is to reward, motivate and retain 'Eligible Employees' for creating value for the shareholders of the Company (Shareholders) by providing Eligible Employees with an opportunity to gain an equity interest in Microba Life Sciences Limited (Company).
Eligibility	An offer under the Plan may be made to any eligible employee, being a director, employee or consultant of the Company or related body corporate of the Company who is declared by the board to be eligible or any other person who is declared to be eligible by the board (Eligible Employee).
Form of equity	<p>The following incentives may be issued under the Employee Incentive Plan:</p> <ul style="list-style-type: none"> • Options, being an option granted under the Plan to subscribe for, acquire and/or be allocated one share subject to the rules of the Plan, or Performance Rights, being a right granted under the Plan to be issued one share subject to the rules of the Plan; • share(s) in the Company (Shares) issued pursuant to the exercise of an Option or conversion of a Performance Rights; or • Incentive Shares, being any Shares issued as a result of an offer being accepted by the participant of the Plan, <p>(each an Incentive).</p>
Maximum allocation	<p>An Offer of Options, Performance Rights or Incentive Shares may only be made under the Plan if the aggregation of the following:</p> <ul style="list-style-type: none"> • number of Shares that may be issued if each outstanding Option and Performance Right were exercised; plus • the number of Incentive Shares issued, <p>pursuant to the Plan or any other group employee incentive scheme during the previous 3 years does not exceed 5% of the total number of Shares on issue at the time of the proposed issue.</p> <p>The maximum allocation of 5% does not include:</p> <ul style="list-style-type: none"> • any Incentive issued under section 708 of the Corporations Act or to participants lawfully made outside of Australia; • any Performance Rights where payment is not required from a participant; and • any Incentive that lapses without being exercised.
Offer	<p>The Board may make an offer to the determined Eligible Employee (Offer). The Board must give each Eligible Employee who is invited to apply for the Incentives under the Plan an offer letter which may specify the following information in relation to the Offer:</p> <ul style="list-style-type: none"> • the number of Options, Performance Rights or Incentive Shares; • the conditions on the Offer (Offer Conditions); • the date on which the Incentives are granted to a Participant (Grant Date); • the fee payable by a Participant on the grant of the Incentives (Fee) (if any); • the performance requirements (as specified in the offer letter) which must be met prior to the vesting of an Incentive (Performance Criteria) (if any); • the time-based requirements or conditions (as specified in the Offer) which must be met prior to Incentives (as applicable) vesting in a Participant (Vesting Conditions) (if any);

	<ul style="list-style-type: none"> • the exercise price payable (if any) by a Participant to acquire a Share upon the exercise of an Option as specified in the Offer (Exercise Price); • the date when an Offer lapses (Expiry Date) and the period commencing on the Grant Date and ending on the Expiry Date (Term) (if applicable); • the period up to the Expiry Date during which a vested Option may be exercised (Exercise Period) (if applicable); and • the period in which the Performance Criteria must be satisfied in respect of an Incentive (Performance Period) (if applicable). <p>An Offer must be accompanied by an application by an Eligible Employee to participate in the Plan (Application), the terms and conditions of the relevant Incentive and a copy of the Plan. Once the Application has been returned to the Company, the Eligible Employee becomes a participant in the Plan (Participant).</p> <p>A person to whom an Offer is made may accept the Offer by completing the Application.</p>
Quotation	<p>The Company will not seek official quotation of any Options, Performance Rights or Incentive Shares.</p> <p>The Company must use all reasonable endeavours to obtain the grant of quotation of Incentive Shares or Shares issued on exercise of Options or conversion of Performance Rights under this Plan on the ASX and, subject to the ASX Listing Rules, on any other exchange on which Shares are quoted.</p>
Rights attaching to Shares	<p>Any Shares allotted, issued or transferred by the Company to a Participant under the Plan will rank equally with all existing Shares on and from the date of allotment, issue or transfer in respect of all rights, bonus issues and dividends which have a record date for determining entitlements on or after the date of allotment, issue, or transfer of those Shares.</p>
Lapse and forfeiture	<p>An Eligible Employee's Options or Performance Rights will automatically lapse and be cancelled for no consideration at the earliest of the following to occur:</p> <ul style="list-style-type: none"> • subject to the good and bad leaver provisions, 10 business days after the cessation of employment, contractual engagement or office of a Participant with the Company or any member of the group such that the Participant is no longer an employee, contractor or officer of any member of the group or the Company; • where fraudulent or dishonest actions have occurred or where the board has determined that the Participant has, by any act or omission, brought the group into disrepute or acted contrary to the interests of the Company or the group; • if applicable Performance Criteria and/or Vesting Conditions are not achieved by the relevant time; • the expiry date specified in the offer letter; • where the board has determined that the Participant has, by any act or omission, brought the group into disrepute or acted contrary to the interests of the Company or the group; • the receipt by the Company of notice from the Participant, after a death or total and permanent disablement of the Participant, that the Participant has elected to surrender the Incentives; or • any other circumstances specified in any offer letter pursuant to which the Incentives were issued. <p>An Offer of Options, Performance Rights and/or Incentive Shares can lapse before any of the securities detailed in such Offers are issued in the absolute discretion of the Board.</p> <p>The Board retains the discretion to determine the treatment of Options in the event that the Vesting Conditions or Performance Criteria have not been satisfied and the treatment of Performance Rights in the event that the</p>

	Performance Period has expired or the Participant has failed to satisfy the Performance Criteria or Vesting Conditions.
Good Leaver and Bad Leaver	<p>Good Leaver</p> <p>Where a Participant who holds Incentives becomes a 'Good Leaver', being a Participant who ceases employment or office with the Company and is determined by the Board to be a Good Leaver:</p> <ul style="list-style-type: none"> • all vested Options which have not been exercised in accordance with the rules of the Plan will continue in force and remain exercisable for 90 days after the date the Participant becomes a Good Leaver, unless the board determines otherwise in its sole and absolute discretion, after which the Options will lapse; and • the board may at any time, in its sole and absolute discretion (subject to the Corporations Act and ASX Listing Rules), do one or more of the following: <ul style="list-style-type: none"> • permit unvested Incentives held by the Good Leaver to vest; • permit such unvested Incentives held by the Good Leaver or his or her nominee(s) to continue to be held by the applicable holder, with the board having the discretion to amend the vesting criteria (including any Offer Conditions, Performance Criteria or Vesting Conditions) or reduce the exercise period of such unvested Incentives; or • determine that the unvested Incentives will lapse. <p>Bad Leaver</p> <p>Where a Participant who holds Incentives becomes a 'Bad Leaver', being a Participant who ceases employment or office with the Company and is determined at the discretion of the Board to be a Bad Leaver, and includes fraudulent or dishonest actions, all vested and unvested Incentives will lapse and the Board may determine to buy back any Shares issued upon exercise of an Option or conversion of a Performance Rights in accordance with the terms of the Plan.</p>
Buy-back	<p>Incentives issued pursuant to the Plan will be subject to the Company's right to buy-back and may at any time be immediately bought-back by the Company:</p> <ul style="list-style-type: none"> • if the Participant holding the Incentives ceases employment or office where the Offer Conditions, Performance Criteria and/or Vesting Conditions attaching to the Incentives have not been met by the time of cessation; • the bad leaver provisions set out in the Plan apply; • the fraudulent or dishonest actions provisions set out in the Plan apply; or • the Options, Performance Rights or offer of Incentive Shares have lapsed.
Assignment	Unless otherwise determined by the Board or required by law, Options and Performance Rights held under the Plan may not be transferred or assigned.
Amendment, Termination and suspension	<p>The Board may at any time amend the rules of the Plan or the terms and conditions upon which any Incentives have been issued under the Plan. Other than to comply with any law or the ASX Listing Rules, no amendment to the Rules may be made if the amendment, in the opinion of the board, materially reduces the rights of any Participant in respect of Incentives granted to them prior to the date of the amendment.</p> <p>The Board may at any time terminate or suspend the operation of the Plan for such period or periods as it thinks fit.</p>
Terms and conditions of Options	(Entitlement) Each vested Option entitles the Participant holding the Option to subscribe for, or to be transferred, one Share on payment of the Exercise Price.

(Exercise Period) The Exercise Period will be determined by the board.

(Conditions for Vesting and Exercise) The Board will determine prior to an Offer being made and specify in the Offer any Performance Criteria and/or Vesting Conditions attaching to the Options. Upon receiving a vesting notification from the Company that the Participant's Incentives have vested and are exercisable, the Participant may exercise the Options within the Exercise Period by delivering a signed notice of exercise and the applicable payment to the Company, subject to the cashless exercise of the Options.

(Cashless settlement) The Participant may elect to set off the exercise price for the Options against the number of Shares they are entitled to receive upon exercise, in which case the holder would receive Shares to the value of the surplus after the Exercise Price has been set off (**Cashless Exercise Facility**). For the avoidance of doubt, if the Cashless Exercise Facility is elected, the Participant will only be issued the number of Shares equal in value to the difference between the total Exercise Price otherwise payable on the Options being exercised and the then market value of the Shares. If the difference is zero or negative, then a Participant will not be entitled to use the Cashless Exercise Facility.

(Adjustments) –

- **Reorganisation** – In the event of any variation in the share capital (such as a consolidation, subdivision, reduction or capital return), the number of Incentives held will be adjusted in accordance with the applicable ASX Listing Rules so that the Participant does not suffer any material detriment following any variation in the share capital as allowed under the ASX Listing Rules.
- **Rights Issue** – If there is a pro-rata issue of new Shares to Shareholders, the Exercise Price or number of underlying Shares into which one Option is exercisable will, in the case of a pro-rata issue, be adjusted in accordance with the ASX Listing Rules.
- **Bonus Issue** – If the Company makes a bonus issue of Shares or other securities to existing Shareholders, the number of Shares which must be issued on the exercise of a Participant's Options will be increased to the number of Shares which the Participant would have received if the Participant had exercised those Options before the record date for the bonus issue.

(New issue and other rights) A participant who holds Options is not entitled to:

- notice of, or to vote or attend at, a meeting of the Shareholders;
- receive any dividends declared by the Company;
- participate in any new issues of securities offered to Shareholders during the term of the Options; or
- cash for the Options or any right to participate in surplus assets or profits of the Company on winding up,

unless and until the Options are exercised and the Participant holds Shares.

(Change of Control) Where the Company announces a change of control event (i.e. approval of a scheme of arrangement, a takeover bid, a person acquiring more than 50.1% of the issued Shares or the sale of the business (**Change of Control Event**)) has occurred or is likely to occur:

- a Participant may exercise their Options regardless of the Vesting Conditions having been satisfied; and
- where an offer has been made to the Participants on like terms to the terms proposed in relation to issued Shares under the Change in Control Event and this offer has not been accepted by the end of the offer period, the Options will lapse within 10 days of the end of that offer period.

Terms and conditions of Performance Rights

(Entitlement) The Board may offer Performance Rights to any Participant in its sole discretion. Each Performance Right confers an entitlement to be provided with one Share.

(Performance Criteria/Vesting Conditions and satisfaction and variation to Performance Criteria/Vesting Conditions) The Board will determine prior to an Offer being made and specify in the Offer any Performance Criteria, Vesting Conditions, Performance Period or Expiry Date attaching to the Performance Rights. The Board will determine at its sole discretion whether the Performance Criteria and/or Vesting Conditions have been satisfied.

(Lapse of Performance Rights) Where Performance Rights have not satisfied the Performance Criteria by the end of the Performance Period or the Expiry Date (whichever occurs earlier), those Performance Rights will automatically lapse.

(Adjustment for reorganisation) If there is any reorganisation of the issued share capital of the Company, the terms of Performance Rights and the rights of the Participant who holds such Performance Rights will be varied, including an adjustment to the number of Performance Rights, in accordance with the ASX Listing Rules that apply to the reorganisation as allowed under the ASX Listing Rules.

(Bonus Issue) If, during the term of any Performance Rights, Shares are issued pro rata to Shareholders generally by way of bonus issue, the number of Performance Rights to which the Participant is then entitled, shall be increased to a number equal to the number of Shares which the Participant would have been entitled to receive if the Performance Rights then held by the Participant had vested immediately prior to the record date for the bonus issue.

(New issue and other rights) A Participant who holds Performance Rights is not entitled by virtue of holding those Performance Rights to:

- notice of, or to vote or attend at, a meeting of the Shareholders;
- receive any dividends declared by the Company;
- participate in any new issues of securities offered to Shareholders during the term of the Performance Rights; or
- cash for the Performance Rights or any right to participate in surplus assets of profits of the Company on winding up,

unless and until the Performance/Vesting Conditions are satisfied and the Participant holds Shares.

(Change of Control) Where the Company announces a Change of Control Event has occurred or is likely to occur, all granted Performance Rights which have not yet vested or lapsed shall automatically and immediately vest, regardless of whether any Performance Criteria or Vesting Conditions have been satisfied.

Schedule 2 – Value of Director Options

The Directors have had the fair value of the Director Options to be awarded to Ms Jacqueline Fernley valued on a preliminary basis using a Black-Scholes model.

The actual value of the Director Options will however be determined on a similar basis as at the actual date of the grant.

The assumptions underlying the Black-Scholes model used in calculating the preliminary value of the Options were as follows:

	Oct-23
Spot	0.215
Exercise	0.323
Term	3.0
Rf	3.43%
Volatility	95.0%
Dividend Yield	0.0%
Option Value	\$0.113

# of Options	200,000
0% Exit Rate	200,000

Fair Value	\$22,600
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Using this method of valuation, the Company has determined a preliminary value per Director Option of **\$0.113 per Option for 200,000 shares**

The expected total financial benefit of the Director Options to be issued to or for the benefit of Ms Jacqueline Fernley is **\$22,600**.

Your proxy voting instruction must be received by **11.00am (AEST) on Tuesday, 28 November 2023**, 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.



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