



27 September 2024

## **ADDENDUM TO NOTICE OF 2024 ANNUAL GENERAL MEETING**

Control Bionics Limited (**Company**) hereby gives notice to Shareholders that, in relation to the Notice of Annual General Meeting released on the ASX on 9 September 2024 (**Notice**) in respect of the Company's annual general meeting of members to be held at 9am, Sydney time on 10 October 2024 (**Meeting**), the Directors have resolved to include new Resolutions 11 and 12 on the terms set out in this Addendum (**Additional Resolutions**).

This Addendum is supplemental to the Notice and should be read in conjunction with the Notice. Apart from the amendments set out below, all Resolutions and the Explanatory Statement in the original Notice remain unchanged.

### **Replacement Proxy Form**

Annexed to this Addendum to the Notice is a replacement Proxy Form (**Replacement Proxy Form**). To ensure clarity of voting instructions by Shareholders on the Resolutions to be considered at the Meeting, Shareholders are advised that:

- a) If you have already completed and returned the Proxy Form annexed with the Notice (**Original Proxy Form**) and you wish to change your original vote for Resolutions 1 to 10 or cast votes for the Additional Resolutions, you must complete and return the Replacement Proxy Form.
- b) If you have already completed and returned the Original Proxy Form and you do not wish to change your original vote for Resolutions 1 to 10 or vote on the Additional Resolution, you do not need to take any action as the earlier submitted Original Proxy Form will be accepted by the Company for Resolutions 1 to 10 unless you submit a Replacement Proxy Form. For the sake of clarity, the Company notes that if you do not lodge a Replacement Proxy Form, you will not have cast a vote on the Additional Resolutions.
- c) If you have not yet completed and returned a Proxy Form and you wish to vote on the Resolutions in the Notice as supplemented by the Addendum, please complete and return the Replacement Proxy Form.

### **SUPPLEMENTARY BUSINESS OF THE MEETING**

The agenda of the notice is amended by including the following resolutions:

#### **Resolution 11 - Approval to issue the placement shares and options to unrelated parties**

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 16,428,722 Shares and up to 8,214,361 Options on the terms and conditions set out in the Explanatory Statement."

#### **Resolution 12 - Approval of issue of options to Lynx Advisors**

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 500,000 Options to Lynx Advisors Pty Limited on the terms described in the Explanatory Statement which forms part of this Notice of Meeting, be approved."

## EXPLANATORY STATEMENT

### **Resolution 11: Approval to issue the placement shares and options to unrelated parties**

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As announced on 19 and 23 September 2024, the Company has entered into agreements for a placement (**Placement**), subject to shareholder approval, to raise approximately \$1.15 million (before costs) in new capital.

It is proposed that 16,428,722 fully paid ordinary shares (**Shares**) issued at an issue price of 7c per Share, with one attaching option (**Option**) for every two shares subscribed for in the Placement.

If all of the shares are subscribed, the Company will issue a total of 8,214,361 Options. The Options have an exercise price of 10c and an expiry date of two years from the date of issue. These options will not be quoted.

The Company engaged the services of Lynx Advisory Pty Ltd (**Lynx**) as lead manager to the placement and has agreed to pay a cash fee of 6% of the cash raised (exclusive of GST). In addition, Lynx will be granted, subject to shareholder approval, 500,000 options exercisable at 10c that will expire 3 years from their issue date. These options will not be quoted.

### **ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities 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.

The proposed issue of the Shares and Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the Company's 25% limit under Listing Rules 7.1 and 7.1A. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 11 is passed, the issue of Shares and Options will be excluded in calculating the Company's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 11 is not passed, the issue will not proceed.

### **Information required by ASX Listing Rule 7.3**

In compliance with the information requirements of ASX Listing Rule 7.3, Shareholders are advised of the following particulars:

<b>The number of Securities to be issued</b>	16,428,722 Shares 8,214,361 Options
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<b>Persons to whom Shares and Options will be issued</b>	<p>A range of investors who were identified by Lynx from its client base to be the recipients of the Placement. The investors included current shareholders in CBL as well as new shareholders.</p> <p>None of the persons to whom the shares and options will be issued are:</p> <ul style="list-style-type: none"> <li>• related parties of CBL;</li> <li>• a member of KMP of CBL;</li> <li>• a substantial shareholder in CBL;</li> <li>• Lynx advisors Pty Ltd; or</li> <li>• an associate of any of the above.</li> </ul>
<b>Date of issue</b>	The Shares and Options will be issued one month after the date of the AGM.
<b>Expiry of Options</b>	The Options will expire 3 years after issue if not exercised beforehand.
<b>Issue price per Share</b>	<p>The Shares will be issued for 7c per share.</p> <p>The Options will convert to fully paid ordinary Shares in the Company on request by the holder of the Options and on payment of 10c per Share. There are no further conditions to be satisfied to exercise the Options.</p>
<b>Purpose of the issue</b>	The funds raised on issue of the Shares and on conversion of the Options will be used for working capital purposes.

### Voting exclusion statement

The Company will disregard any votes cast in favour of this resolution by Lynx and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity) or any associates of those persons. However, this does not apply to a vote cast in favour of a resolution by:

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

## Resolution 12: Approval of issue of 500,000 options to Lynx Advisors

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### Background

As set out in Resolution 11, the Company proposes to issue 16,428,722 Shares at an issue price of 7c per share and 8,214,286 Options by way of the Placement managed by Lynx.

The material terms of the Lynx engagement to carry out the Placement are that the Company will pay to Lynx a cash fee of 6% of the cash raised (exclusive of GST) and Lynx will be granted, subject to shareholder approval, 500,000 options exercisable at 10c that will expire three years from the issue date. The options will not be quoted.

Resolution 12 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Options.

### ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities 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.

The proposed issue of the Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the Company's 25% limit under Listing Rules 7.1 and 7.1A. It therefore requires the approval of Shareholders under Listing Rule 7.1.

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

If Resolution 12 is not passed, the issue will not proceed.

### Information required by ASX Listing Rule 7.3

In compliance with the information requirements of ASX Listing Rule 7.3, Shareholders are advised of the following particulars:

<b>The number of Options to be issued</b>	500,000 options
<b>Issue price per Option</b>	The Options will be issued for nil consideration.
<b>Date of issue</b>	The Options will be issued one month after the date of the AGM.
<b>Terms of Options</b>	The Options will convert to fully paid ordinary Shares in the Company on request by the holder of the Options and on payment of 10c per Share. There are no further conditions to be satisfied to exercise the Options.
<b>Expiry date</b>	The Options will expire 3 years after issue if not exercised beforehand.
<b>Persons to whom Options will be issued</b>	Lynx Advisors Pty Limited.
<b>Use of funds raised</b>	The funds raised on exercise of the Options will be used for working capital purposes.

## **Voting exclusion statement**

The Company will disregard any votes cast in favour of this resolution by Lynx or any associates of Lynx. 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.