



# **Notice of Annual General Meeting and explanatory memorandum**

**Hydrix Limited**

ACN 060 369 048

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**Date:** Thursday, 12 December 2019

**Time:** 2.00 pm (Melbourne time)

**Place:** 30-32 Compark Circuit, Mulgrave VIC 3170

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# NOTICE OF 2019 ANNUAL GENERAL MEETING

Notice is given that the 2019 Annual General Meeting of Hydrix Limited ACN 060 369 048 (the **Company**) will be held at 30-32 Compark Circuit, Mulgrave VIC 3170 on Thursday 12 December 2019 at 2.00 pm (Melbourne time)

## BUSINESS OF THE MEETING

Shareholders are invited to consider the following items of business at the Annual General Meeting.

### Financial and related reports

Item 1	Financial and related reports
Description	To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2019.

### Adoption of Remuneration Report (non-binding resolution)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
Description	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2019 Annual Report and is available from the Company's website (<a href="https://www.hydrix.com">https://www.hydrix.com</a>).</p> <p>In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the Directors or the Company.</p>
Resolution (Ordinary)	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>"THAT the Remuneration Report of the Company and its controlled entities for the year ended 30 June 2019 be adopted."</b></i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on this resolution:</p> <ul style="list-style-type: none"><li>(a) by or on behalf of a member of Key Management Personnel (<b>KMP</b>) named in the remuneration report for the year ended 30 June 2019, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast; and</li><li>(b) as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party.</li></ul> <p>However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on this resolution:</p> <ul style="list-style-type: none"><li>(c) in accordance with the directions of how to vote on the Proxy Form; or</li><li>(d) by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.</li></ul>

## Re-election of Director

Resolution 2	Re-election of Ms Julie King as Director
Description	Ms Julie King, who was appointed as a Director on 28 March 2017, retires as a Director in accordance with Article 47(b) of the Company's Constitution and, being eligible, offers herself for re-election.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>"THAT Ms Julie King, who retires as a Director in accordance with ASX Listing Rule 14.5 and Article 47 (b) of the Company's Constitution and, being eligible, offers herself for re-election under Article 47 (b) of the Constitution, be re-elected as a Director of the Company."</b></i>

## Ratification of previous issues of securities

Resolution 3	Ratification of issue of November Placement Shares
Description	The Company seeks Shareholder approval under ASX Listing Rule 7.4 for the prior issue of the November Placement Shares.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>"THAT for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 82,551,724 November Placement Shares on 8 November 2019, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."</b></i>
Voting Exclusion	The Company will disregard any votes cast in favour of this resolution by or on behalf of any person who participated in the issue of the November Placement Shares, or any of their associates.  However, the Company need not disregard a vote if it is cast by: <ul style="list-style-type: none"> <li>(a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</li> <li>(b) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.</li> </ul>

## Approval for related parties to participate in November Placement

<b>Description</b>	Resolutions 4A and 4B seek Shareholder approval for Gavin Coote (Chairman) and Paul Wright (Non-Executive Director) to participate in the November Placement.
<b>Resolution 4A</b>	<b>Approval for Director Gavin Coote to participate in November Placement</b>
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,724,138 Shares (on a pre-Consolidation basis) to Mr Gavin Coote or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</b></i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast in favour of this resolution by Mr Gavin Coote and any of his associates.  However, the Company need not disregard a vote if it is cast by:  (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or  (b) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.
<b>Resolution 4B</b>	<b>Approval for Director Paul Wright to participate in November Placement</b>
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>“THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 1,724,138 Shares (on a pre-Consolidation basis) to Mr Paul Wright or his nominee(s), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</b></i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast in favour of this resolution by Mr Paul Wright and any of his associates.  However, the Company need not disregard a vote if it is cast by:  (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or  (b) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

## Approval for issue of Warrants under Financing Facility

<b>Description</b>	Resolutions 5A and 5B seek Shareholder approval for the issue of Warrants to the Lender, as part consideration for the Lender's provision of finance to the Company.
<b>Resolution 5A</b>	<b>Approval for issue of Refinance Facility Warrant</b>
<b>Description</b>	The Company seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of the Refinance Facility Warrant.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>“THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve:</b></i></p> <p>(a) <i>the issue of the Refinance Facility Warrant to the Lender (or its nominee(s)); and</i></p> <p>(b) <i>in the event of the exercise of the Refinance Facility Warrant, the issue of the underlying Refinance Facility Warrant Shares required to be issued on exercise of the Refinance Facility Warrant,</i></p> <p><i>on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast in favour on this resolution by:</p> <p>(a) any person who may participate in the proposed issue of the Refinance Facility Warrant (being the Lender or its nominee(s)); and</p> <p>(b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and</p> <p>(c) any associates of the persons named in sub-paragraphs (a) and (b).</p> <p>However, the Company will not disregard a vote if it is cast by:</p> <p>(d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</p> <p>(e) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</p>

Resolution 5B	Approval for issue of Working Capital Facility Warrant
<b>Description</b>	The Company seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of the Working Capital Facility Warrant.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>“THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve:</b></i></p> <p>(a) <i>the issue of the Working Capital Facility Warrant to the Lender (or its nominee(s)); and</i></p> <p>(b) <i>in the event of the exercise of the Working Capital Facility Warrant, the issue of the underlying Working Capital Facility Warrant Shares required to be issued on exercise of the Working Capital Facility Warrant,</i></p> <p><i>on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast in favour on this resolution by:</p> <p>(a) any person who may participate in the proposed issue of the Working Capital Facility Warrant (being the Lender or its nominee(s)); and</p> <p>(b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and</p> <p>(c) any associates of the persons named in sub-paragraphs (a) and (b).</p> <p>However, the Company will not disregard a vote if it is cast by:</p> <p>(d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or</p> <p>(e) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.</p>

## Approval for issue of Deferred Consideration Shares

Resolution 6	Approval for issue of Deferred Consideration Shares
<b>Description</b>	Hydrix has acquired the exclusive rights to distribute the AngelMed Guardian® System in eight Asia Pacific countries. Under the relevant agreement, up to 150,000,000 Deferred Consideration Shares may be issued to the Vendor in 4 tranches, subject to certain commercial milestones being satisfied. The Company seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of the Deferred Consideration Shares.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>“THAT, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 150,000,000 Deferred Consideration Shares to the Vendor (or its nominee(s)), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”</b></i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast in favour on this resolution by:  (a) any person who may participate in the proposed issue of the Deferred Consideration Shares (being the Vendor or its nominee(s)); and  (b) any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this resolution is passed; and  (c) any associates of the persons named in sub-paragraphs (a) and (b).  However, the Company will not disregard a vote if it is cast by:  (d) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or  (e) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

## Approval of Long Term Incentive Plan

Resolution 7	Approval of Long Term Incentive Plan
<b>Description</b>	Shareholder approval is sought for the Company's Long Term Incentive Plan ( <b>LTIP</b> ) for the purposes of the ASX Listing Rules and the Corporations Act.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"<b>THAT</b>, for the purposes of Exception 9 in ASX Listing Rule 7.2, sections 259B(2) and 260C(4) of the Corporations Act, and for all other purposes, Shareholders approve the Long Term Incentive Plan and the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast: <ul style="list-style-type: none"> <li>(a) in favour of this resolution by or on behalf of the Directors who are eligible to participate in the LTIP and any associates of those Directors;</li> <li>(b) on this resolution as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party.</li> </ul> <p>However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on this resolution:</p> <ul style="list-style-type: none"> <li>(c) in accordance with the directions of how to vote on the Proxy Form; or</li> <li>(d) by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.</li> </ul>

## Grant of Performance Rights to Directors under LTIP

Resolution 8A	Approval for issue of Performance Rights to Gavin Coote under LTIP
<b>Description</b>	The Company seeks Shareholder approval for the issue of Performance Rights to Mr Gavin Coote, the Company's Chairman, in relation to FY20.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i>"<b>THAT</b>, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholder approval is given for the Company to grant 5,000,000 Performance Rights in relation to FY20, each to acquire 1 Share in the Company, to Mr Gavin Coote (or his nominee(s)), and the issue of underlying Shares in respect of those Performance Rights, pursuant to the Long Term Incentive Plan and on the terms set out in the Explanatory Memorandum accompanying this Notice."</i>



<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast:</p> <ul style="list-style-type: none"> <li>(a) in favour of this resolution by or on behalf of the Directors who are eligible to participate in the LTIP and any associates of those Directors;</li> <li>(b) on this resolution as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party.</li> </ul> <p>However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on this resolution:</p> <ul style="list-style-type: none"> <li>(c) in accordance with the directions of how to vote on the Proxy Form; or</li> <li>(d) by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.</li> </ul>
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<b>Resolution 8B</b>	<b>Approval for issue of Performance Rights to Mr Paul Wright under LTIP</b>
<b>Description</b>	The Company seeks shareholder approval for the issue of 3,000,000 Performance Rights, each to acquire 1 Share, to Mr Paul Wright, Non-Executive Director of the Company, or his nominee(s) pursuant to Company's Long Term Incentive Plan.
<b>Resolution (Ordinary)</b>	<p>To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b>:</p> <p><i><b>"THAT, for the purposes of ASX Listing Rule 10.14 and for all other purposes, shareholder approval is given for the Company to grant 3,000,000 performance rights, each to acquire 1 Share, to Mr Paul Wright (or his nominee(s)) and the issue of underlying shares in respect of those performance rights, pursuant to the Long Term Incentive Plan and on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i></p>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast:</p> <ul style="list-style-type: none"> <li>(a) in favour of this resolution by or on behalf of the Directors who are eligible to participate in the LTIP and any associates of those Directors;</li> <li>(b) on this resolution as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party.</li> </ul> <p>However, the Company will not disregard a vote if it is cast as a proxy for a person who is entitled to vote on this resolution:</p> <ul style="list-style-type: none"> <li>(c) in accordance with the directions of how to vote on the Proxy Form; or</li> <li>(d) by the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.</li> </ul>

## Approval for issue of shares to Director in lieu of fees

Resolution 8C	Approval of issue of Shares to Director in lieu of fees
<b>Description</b>	The Company seeks shareholder approval for the issue of 1,551,724 Shares to Mr Paul Wright, Non-Executive Director of the Company, or his nominee(s), as consideration for services provided to the Company.
<b>Resolution (Ordinary)</b>	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <i><b>"THAT, for the purposes of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue 1,551,724 Shares to Mr Paul Wright or his nominee(s), on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice."</b></i>
<b>Voting Exclusion</b>	<p>The Company will disregard any votes cast:</p> <ul style="list-style-type: none"> <li>(a) in favour of this resolution by Mr Paul Wright and any of his associates;</li> <li>(b) on this resolution as a proxy by a member of KMP named in the remuneration report for the year ended 30 June 2019, or that KMP's Closely Related Party, where the proxy appointment does not specify the way the proxy is to vote.</li> </ul> <p>However, the Company will not disregard a vote if it is cast by:</p> <ul style="list-style-type: none"> <li>(c) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form that specify how the proxy is to vote on this resolution; or</li> <li>(d) the Chairman of the Meeting, as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form that does not specify how the proxy is to vote on this resolution, but expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of KMP.</li> </ul>

## Appointment of Auditor

Resolution 9	Appointment of Grant Thornton Audit Pty Ltd as the Company's auditor
Description	The Company has received a notice of nomination, made pursuant to section 328B(1) of the Corporations Act, to appoint Grant Thornton Audit Pty Ltd as the Company's auditor at the 2019 Annual General Meeting, and accordingly proposes Resolution 9 to Shareholders. The appointment of Grant Thornton Audit Pty Ltd as the Company's auditor is subject to ASIC consenting to the resignation of RSM Australia Partners as the Company's auditor.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <p><i><b>"THAT</b> subject to the consent of the Australian Securities &amp; Investments Commission to RSM Australia Partners resigning as auditor of the Company, Grant Thornton Audit Pty Ltd of Collins Square, Tower 5, 727 Collins Street Melbourne, Victoria 3008, having consented in writing to act as auditor of the Company, be appointed as auditor of the Company and its controlled entities effective from the date of the Meeting."</i></p>

## Repeal and replacement of Company constitution

Resolution 10	Repeal and replacement of Company constitution
Description	The Company seeks to repeal its current constitution and replace it with an updated constitution that is consistent with applicable laws, regulations and ASX Listing Rules.
Resolution (Special)	To consider and, if thought fit, pass the following resolution as a <b>special resolution</b> :  <p><i><b>"THAT, for the purposes of section 136(1)(b) of the Corporations Act 2001 (Cth), and for all other purposes, the constitution comprising the document tabled at the meeting and signed by the Chairman of the meeting for the purposes of identification, be approved and adopted as the constitution of the Company in substitution for and to the exclusion of the existing constitution which is repealed in its entirety."</b></i></p>

## Share Consolidation

Resolution 11	Approval of Share Consolidation
Description	The Company seeks approval of Shareholders to consolidate the number of securities it has on issue into a smaller number in the ratio of 10 to 1.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an <b>ordinary resolution</b> :  <p><i><b>"THAT, for the purposes of section 254H of the Corporations Act 2001 (Cth) and for all other purposes, approval is given for the issued capital of the Company to be consolidated through the conversion of every 10 Shares and 10 Options into 1 Share and 1 Option respectively, with fractions of a Share or Option being rounded to the nearest whole number, exact half Shares or Options being rounded up, and post consolidation holdings of less than one being rounded up, to take effect in accordance with the timetable set out in the Explanatory Memorandum accompanying this Notice."</b></i></p> <p><b>Note: In accordance with section 254H(4) of the Corporations Act, a copy of this Resolution, if passed, shall be lodged with the Australian Securities &amp; Investments Commission within one month of the Meeting.</b></p>

## Approval of 10% Placement Capacity

Resolution 12	Approval of 10% Placement Capacity
<b>Description</b>	The Company seeks approval of shareholders to be able to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its 15% Placement Capacity under ASX Listing Rule 7.1.
<b>Resolution (Special)</b>	To consider and, if thought fit, pass the following resolution as a <b>special resolution</b> :  <i>“THAT for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to an additional 10% of its issued Equity Securities by way of placements over a 12-month period, on such terms and conditions more particularly described in the Explanatory Memorandum accompanying this Notice.”</i>
<b>Voting Exclusion</b>	The Company will disregard any votes cast in favour of this resolution by any person who may participate in the issue of Equity Securities under this resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if the resolution is passed, and any associates of those persons.  However, the Company need not disregard a vote if it is cast by:  (a) a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or  (b) the Chairman of the Meeting, as proxy for a person entitled to vote, in accordance with a direction on a Proxy Form to vote as the proxy decides.

Dated: 15 November 2019

By order of the Board of Hydrix Limited



Alyn Tai  
Company Secretary

## Important Information

### CONSOLIDATION

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Under Resolution 11, it is proposed that the Company's share capital be consolidated through the conversion of every 10 Shares and Options on issue into 1 Share and 1 Option respectively.

**All references to numbers of securities which appear in this Notice of Meeting and Explanatory Memorandum are on a pre-Consolidation basis, unless otherwise stated.**

### QUESTIONS FROM SHAREHOLDERS

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In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, RSM Australia Partners, in relation to the conduct of the external audit for the year ended 30 June 2019, or the content of its audit report. Please send your questions via email to:

Company Secretary  
Hydrix Limited  
Alyn.Tai@hydrix.com

Written questions must be received by no later than **5.00pm (Melbourne time) on 5 December 2019**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including the Company's Remuneration Report for the year ended 30 June 2019.

During the course of the Annual General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

### VOTING INFORMATION

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#### Voting by proxy

- (a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast 2 or more votes at the Meeting, 2 proxies, to attend and vote instead of the shareholder.
- (b) Where 2 proxies are appointed to attend and vote at the Meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the Meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the Meeting.
- (e) A proxy form accompanies this Notice. If a shareholder wishes to appoint more than 1 proxy, they may make a copy of the proxy form attached to this Notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a (notarially) certified copy of that power or authority by **2.00 pm (Melbourne time) on 10 December 2019** at the share registry, being Boardroom Pty Limited, as follows:

<b>Online</b>	<a href="https://www.votingonline.com.au/hydrixagm2019">https://www.votingonline.com.au/hydrixagm2019</a>
<b>By post</b>	Boardroom Pty Limited GPO Box 3993 Sydney NSW 2001
<b>By personal delivery</b>	Boardroom Pty Limited Level 12, Grosvenor Place 225 George Street Sydney NSW 2000
<b>By facsimile</b>	+61 9290 9655

### **Voting and other entitlements at the Meeting**

A determination has been made by the Board under regulation 7.11.37 of the *Corporations Regulations 2001* that shares in the Company which are on issue at **7.00pm (Melbourne time) on 10 December 2019** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the meeting).

### **Proxy voting by the Chairman**

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth), imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel.

If you complete a Proxy Form that authorises the Chairman of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chairman to exercise your proxy on Resolutions 1, 7, 8A, 8B and 8C. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolutions 1, 7, 8A, 8B and 8C. If you wish to appoint the Chairman of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the Proxy Form.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of each item of business.

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolutions 1, 7, 8A, 8B and 8C, he or she will not vote your proxy on those resolutions.

# EXPLANATORY MEMORANDUM TO NOTICE OF 2019 ANNUAL GENERAL MEETING

## Financial and related reports

Item 1	Financial and related reports
<b>Explanation</b>	<p>Section 317 of the Corporations Act requires the Company's financial report, Directors' report and auditor's report for the financial year ended 30 June 2019 to be laid before the Company's 2019 Annual General Meeting. There is no requirement for a formal resolution on this item. The financial report contains the financial statements of the consolidated entity consisting of Hydrix Limited and its controlled entities.</p> <p>As permitted by the Corporations Act, a printed copy of the Company's 2019 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2019 Annual Report is available from the Company's website (<a href="https://www.hydrix.com/">https://www.hydrix.com/</a>).</p> <p>The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2019, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of RSM Australia Partners in relation to the conduct of the audit.</p>

## Adoption of Remuneration Report (non-binding resolution)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
<b>Explanation</b>	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2019 Annual Report and is available from the Company's website (<a href="https://www.hydrix.com/">https://www.hydrix.com/</a>). The Remuneration Report:</p> <ul style="list-style-type: none"> <li>▪ describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance;</li> <li>▪ sets out the remuneration arrangements in place for each Director and for certain members of the senior management team; and</li> <li>▪ explains the differences between the basis for remunerating Non-Executive Directors and senior executives, including the CEO.</li> </ul> <p>The vote on this item is advisory only and does not bind the Directors. However, the Board will take into account any discussion on this item and the outcome of the vote when considering the future remuneration policies and practices of the Company.</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

## Re-election of Director

Resolution 2	Re-election of Ms Julie King as Director
<b>Explanation</b>	In accordance with Article 47(b) of the Constitution, Ms Julie King retires as a Director at the Meeting, and being eligible, offers herself for re-election as a Director pursuant to Article 47(b) of the Constitution.
<b>About Ms Julie King</b>	<p>Ms Julie King was appointed to the Board as a Non-Executive Director on 28 March 2017.</p> <p>Ms King holds a Bachelor of Commerce degree from the University of Melbourne. With 40 years' experience in various industries including utilities, maritime, airline, banking and FMCG, she is a specialist in commercial negotiations.</p> <p>At the date of this Notice, Ms King has a relevant interest in 156,393,446 Shares and 6,250,000 Options in the Company. Ms King is not considered to be an independent Director due to her substantial shareholding in the Company.</p>
<b>Board Recommendation</b>	The Board, with Ms King abstaining on making a recommendation, recommends that shareholders vote in favour of Resolution 2.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 2.

## Ratification of previous issue of securities

Resolution 3	Ratification of issue of November Placement Shares
<b>Explanation</b>	<p>The Company seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for a previous issue of securities made by the Company during the last 12 months under ASX Listing Rule 7.1, which provides that a company must not, subject to specified exceptions under ASX Listing Rule 7.2, issue or agree to issue Equity Securities during any 12 month period in excess of 15% of the number of ordinary shares on issue at the commencement of that 12 month period without shareholder approval (<b>15% Placement Capacity</b>).</p> <p>ASX Listing Rule 7.4 sets out an exception to the limitations on the Company's capacity to issue Equity Securities pursuant to its 15% Placement Capacity, by permitting the ratification of previous issues of Equity Securities which were not made under a prescribed exception under ASX Listing Rule 7.2 or with shareholder approval.</p> <p>If shareholders of a company approve the ratification of such previous issues of Equity Securities at a general meeting, those Equity Securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1.</p> <p>Accordingly, if shareholders ratify the previous issue of Equity Securities made by the Company by way of approving Resolution 3, those Equity Securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and will no longer be deducted from the Company's 15% Placement Capacity.</p>
<b>Background</b>	As announced to the ASX on 4 November 2019, the Company has completed a capital raising of \$2.5 million, via a placement of 86,000,000 Shares at an issue price of \$0.029 per Share ( <b>November Placement</b> ).



	On 8 November 2019, the Company issued 82,551,724 Shares under the November Placement to sophisticated and institutional investors ( <b>November Placement Shares</b> ) pursuant to Listing Rule 7.1. The Company seeks ratification of the issue of these securities under ASX Listing Rule 7.4.												
<b>Specific information for Resolution 3</b>	<p>In accordance with ASX Listing Rule 7.5, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.4, the following information is provided to shareholders:</p> <table> <tr> <td><b>No. of securities issued</b></td><td>82,551,724 Shares</td></tr> <tr> <td><b>Issue price</b></td><td>\$0.029 per Share</td></tr> <tr> <td><b>Recipients of issue</b></td><td>The subscribers of the November Placement Shares, being sophisticated and professional investors introduced to the Company by the lead manager to the placement, Henslow Pty Ltd.</td></tr> <tr> <td><b>Terms of shares</b></td><td>Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>As explained in the Company's announcement dated 4 November 2019, the funds will be used to continue the implementation of the Company's strategy to leverage the services business to generate long term, annuity revenue streams through ownership of product and/or technology (IP). In addition, the funds will provide working capital to acquire the exclusive distribution rights of the Guardian System in Asia Pacific, undertake the regulatory and reimbursement approval in Australia and Singapore, and the commercialisation launch.</td></tr> <tr> <td><b>Voting exclusion statement</b></td><td>A voting exclusion statement applies to this item of business, as set out in the Notice.</td></tr> </table>	<b>No. of securities issued</b>	82,551,724 Shares	<b>Issue price</b>	\$0.029 per Share	<b>Recipients of issue</b>	The subscribers of the November Placement Shares, being sophisticated and professional investors introduced to the Company by the lead manager to the placement, Henslow Pty Ltd.	<b>Terms of shares</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	As explained in the Company's announcement dated 4 November 2019, the funds will be used to continue the implementation of the Company's strategy to leverage the services business to generate long term, annuity revenue streams through ownership of product and/or technology (IP). In addition, the funds will provide working capital to acquire the exclusive distribution rights of the Guardian System in Asia Pacific, undertake the regulatory and reimbursement approval in Australia and Singapore, and the commercialisation launch.	<b>Voting exclusion statement</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>No. of securities issued</b>	82,551,724 Shares												
<b>Issue price</b>	\$0.029 per Share												
<b>Recipients of issue</b>	The subscribers of the November Placement Shares, being sophisticated and professional investors introduced to the Company by the lead manager to the placement, Henslow Pty Ltd.												
<b>Terms of shares</b>	Fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	As explained in the Company's announcement dated 4 November 2019, the funds will be used to continue the implementation of the Company's strategy to leverage the services business to generate long term, annuity revenue streams through ownership of product and/or technology (IP). In addition, the funds will provide working capital to acquire the exclusive distribution rights of the Guardian System in Asia Pacific, undertake the regulatory and reimbursement approval in Australia and Singapore, and the commercialisation launch.												
<b>Voting exclusion statement</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.												
<b>Board Recommendation</b>	<p>The Directors unanimously recommend that shareholders vote in favour of Resolution 3.</p> <p>As explained above, the effect of shareholder approval for Resolution 3 is the reinstatement of the Company's 15% Placement Capacity.</p> <p>Although the Directors do not (save for as otherwise set out in this Notice) currently have any specific intention to make any further issue of Shares without approval of shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under an exception to the 15% threshold in ASX Listing Rule 7.2, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 15% Placement Capacity, as this will enhance the Company's flexibility to finance its operations through raising equity capital, should the Directors consider it to be in the best interests of the Company to do so.</p> <p>In particular, the Directors note that if shareholder approval for Resolution 3 is not obtained at the Meeting, the Company may be required to incur additional costs and delay of convening an extraordinary general meeting of the Company if the Directors propose to issue securities which do not fall under an exception to the 15% rule in ASX Listing Rule 7.2.</p>												
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.												

## Approval for related parties to participate in November Placement

<b>Resolutions 4A and 4B</b> <b>Approval for related parties to participate in November Placement</b>	
<b>Explanation</b>	<p>As announced to the ASX on 4 November 2019, the subscribers to the November Placement included Directors Gavin Coote and Paul Wright, who each subscribed for Shares to the value of \$50,000.</p> <p>ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of Equity Securities to a related party of the company.</p> <p>As Directors, Gavin Coote and Paul Wright are related parties of the Company. Accordingly, Resolutions 4A and 4B seek the shareholder approval required by ASX Listing Rule 10.11 to allow the issue of Shares under the November Placement to Mr Coote and Mr Wright.</p> <p>If shareholder approval is given for the purposes of ASX Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1, and the Shares issued under Resolutions 4A and 4B will not deplete the Company's 15% Placement Capacity.</p>
<b>Approval not sought under Chapter 2E of the Corporations Act</b>	<p>For the purposes of Chapter 2E of the Corporations Act, Gavin Coote and Paul Wright are related parties of the Company.</p> <p>A "financial benefit" is defined in the Corporations Act in broad terms and expressly includes a public company issuing securities. The giving of a financial benefit to a related party of a public company is ordinarily prohibited by Chapter 2E of the Corporations Act. The exceptions to the general prohibition are where the benefit is given with the approval of shareholders or the benefit is given in one or more of the limited circumstances in which the giving of a financial benefit to a related party of a public company is permitted.</p> <p>One exception to the general rule is where the provision of the financial benefit is on terms that would be reasonable in the circumstances if the Company and the related party were dealing at arm's length terms (or on terms more favourable to the Company than arm's length terms).</p> <p>The Directors have determined that the proposed issue of Shares under the November Placement to the related parties are reasonable in the circumstances if the Company and the related parties are dealing on arm's length terms. In making this determination, the Directors took into account the following factors:</p> <ul style="list-style-type: none"> <li>(a) the Shares are proposed to be issued on identical terms to the November Placement, which was negotiated on arm's length terms at the time; and</li> <li>(b) the Shares would have been issued as part of the November Placement but for the fact that Shareholder approval must be obtained prior to the issue of any Shares to related parties of the Company pursuant to ASX Listing Rule 10.11.</li> </ul> <p>On this basis, as the provision of such benefits is expressly permitted by the arm's length exception under the Corporations Act, the Board does not consider the Company is required to seek Shareholder approval in order to give the related parties the financial benefit that is inherent in the issue of Shares.</p>

<b>Specific information for Resolutions 4A and 4B</b>	<p>In accordance with ASX Listing Rule 10.13, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.11, the following information is provided to shareholders:</p> <table> <tr> <td><b>Identification of recipients of securities</b></td><td>Resolution 4A: Gavin Coote or his nominees(s) Resolution 4B: Paul Wright or his nominee(s)</td></tr> <tr> <td><b>Maximum number of securities to be issued</b></td><td>Resolution 4A: 1,724,138 Shares Resolution 4B: 1,724,138 Shares</td></tr> <tr> <td><b>Date for issue and allotment of securities</b></td><td>Subject to Shareholder approval being obtained, the Company will issue the Shares under Resolutions 4A and 4B as soon as is practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.</td></tr> <tr> <td><b>Issue price per security</b></td><td>The Shares will be issued at an issue price of \$0.029 per Share.</td></tr> <tr> <td><b>Terms of securities</b></td><td>The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>As explained in the Company's announcement dated 4 November 2019, the funds will be used to continue the implementation of the Company's strategy to leverage the services business to generate long term, annuity revenue streams through ownership of product and/or technology (IP). In addition, the funds will provide working capital to acquire the exclusive distribution rights of the Guardian System in Asia Pacific, undertake the regulatory and reimbursement approval in Australia and Singapore, and the commercialisation launch.</td></tr> <tr> <td><b>Voting exclusion statement</b></td><td>A voting exclusion statement applies to each of Resolutions 4A and 4B, as set out in the Notice.</td></tr> </table>	<b>Identification of recipients of securities</b>	Resolution 4A: Gavin Coote or his nominees(s) Resolution 4B: Paul Wright or his nominee(s)	<b>Maximum number of securities to be issued</b>	Resolution 4A: 1,724,138 Shares Resolution 4B: 1,724,138 Shares	<b>Date for issue and allotment of securities</b>	Subject to Shareholder approval being obtained, the Company will issue the Shares under Resolutions 4A and 4B as soon as is practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.	<b>Issue price per security</b>	The Shares will be issued at an issue price of \$0.029 per Share.	<b>Terms of securities</b>	The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	As explained in the Company's announcement dated 4 November 2019, the funds will be used to continue the implementation of the Company's strategy to leverage the services business to generate long term, annuity revenue streams through ownership of product and/or technology (IP). In addition, the funds will provide working capital to acquire the exclusive distribution rights of the Guardian System in Asia Pacific, undertake the regulatory and reimbursement approval in Australia and Singapore, and the commercialisation launch.	<b>Voting exclusion statement</b>	A voting exclusion statement applies to each of Resolutions 4A and 4B, as set out in the Notice.
<b>Identification of recipients of securities</b>	Resolution 4A: Gavin Coote or his nominees(s) Resolution 4B: Paul Wright or his nominee(s)														
<b>Maximum number of securities to be issued</b>	Resolution 4A: 1,724,138 Shares Resolution 4B: 1,724,138 Shares														
<b>Date for issue and allotment of securities</b>	Subject to Shareholder approval being obtained, the Company will issue the Shares under Resolutions 4A and 4B as soon as is practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.														
<b>Issue price per security</b>	The Shares will be issued at an issue price of \$0.029 per Share.														
<b>Terms of securities</b>	The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.														
<b>Use of funds raised</b>	As explained in the Company's announcement dated 4 November 2019, the funds will be used to continue the implementation of the Company's strategy to leverage the services business to generate long term, annuity revenue streams through ownership of product and/or technology (IP). In addition, the funds will provide working capital to acquire the exclusive distribution rights of the Guardian System in Asia Pacific, undertake the regulatory and reimbursement approval in Australia and Singapore, and the commercialisation launch.														
<b>Voting exclusion statement</b>	A voting exclusion statement applies to each of Resolutions 4A and 4B, as set out in the Notice.														
<b>Board Recommendation</b>	<p>The Board, with Gavin Coote and Paul Wright abstaining on making a recommendation on Resolutions 4A and 4B respectively, recommends that shareholders vote in favour of Resolutions 4A and 4B.</p>														
<b>Chairman's available proxies</b>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 4A and 4B.</p>														

## Approval for issue of Warrants under Financing Facility

<b>Resolutions 5A and 5B: Approval for issue of Refinance Facility Warrant and Working Capital Facility Warrant</b>	
<b>Explanation</b>	<p>As announced to the ASX on 16 September 2019, the Company has secured a \$5 million loan facility from Pure Asset Management Pty Ltd (<b>Lender</b>). The Company has entered into a facility agreement with the Lender (<b>Facility Agreement</b>), under which the Lender has agreed to provide:</p> <ul style="list-style-type: none"> <li>▪ A \$4 million loan facility for the purposes of refinancing existing shareholder loans, with the balance to be used for the Company's general working capital requirements (<b>Refinance Facility</b>); and</li> <li>▪ A \$1 million loan facility for the purposes of funding the Company's working capital requirements and acquisitive growth (<b>Working Capital Facility</b>).</li> </ul>

	<p>Further terms of the Refinance Facility and the Working Capital Facility are set out in the Company's ASX announcement dated 16 September 2019.</p> <p>It is a condition of the Facility Agreement that the Company enter into a warrant deed with the Lender (<b>Warrant Deed</b>), under which the Company is required to issue to the Lender (and/or its nominees):</p> <ul style="list-style-type: none"> <li>as part consideration for the Lender's provision of the Refinance Facility, an irrevocable option to acquire the Refinance Facility Warrant Shares (<b>Refinance Facility Warrant</b>); and</li> <li>as part consideration for the Lender's provision of the Working Capital Facility, an irrevocable option to acquire the Working Capital Facility Warrant Shares (<b>Working Capital Facility Warrant</b>).</li> </ul> <p>Detailed terms of the Refinance Facility Warrant and Working Capital Facility Warrant are set out in Schedule 2.</p> <p>Resolutions 5A and 5B seek Shareholder approval for the issue of the Refinance Facility Warrant and the Working Capital Facility Warrant respectively, without using the Company's 15% Placement Capacity under ASX Listing Rule 7.1.</p> <p>The Company is required under the Warrant Deed to seek Shareholder approval at the Meeting for the issue of the Warrants, such that it will be able to issue all Warrant Shares required to be issued from the exercise of the Warrants without any further Shareholder approval for the purposes of its placement capacity under the ASX Listing Rules and any other Corporations Act requirements.</p> <p>If the Warrants are not issued in full within 5 business days after the Meeting, the interest rate payable on any funds drawn down under the Refinance Facility and Working Capital Facility will increase from 10% per annum to 17% per annum, until such time that the Warrants are issued.</p>						
<p><b>Specific information for Resolutions 5A and 5B</b></p>	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p> <table> <tr> <td data-bbox="475 1301 699 1391"><b>Maximum no. of securities to be issued</b></td><td data-bbox="735 1301 1436 1603"> <p>Resolution 5A: 1 Refinance Facility Warrant, exercisable into 80,000,000 Refinance Facility Warrant Shares (on a pre-Consolidation basis).</p> <p>Resolution 5B: 1 Working Capital Facility Warrant, exercisable into the Working Capital Facility Warrant Shares. The maximum number of Working Capital Facility Warrant Shares that may be issued is not currently known, and will be calculated in accordance with the formula set out in Schedule 2.</p> </td></tr> <tr> <td data-bbox="475 1637 699 1727"><b>Date by which securities will be issued</b></td><td data-bbox="735 1637 1436 1760"> <p>Subject to Shareholder approval being obtained, the Company will issue the Warrants under Resolutions 5A and 5B as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.</p> </td></tr> <tr> <td data-bbox="475 1783 699 1850"><b>Issue price per security</b></td><td data-bbox="735 1783 1436 2058"> <p>The Warrants will be issued for nil cash consideration.</p> <p>The Refinance Facility Warrant will be issued under Resolution 5A as part consideration for the Lender's provision of the Refinance Facility.</p> <p>The Working Capital Facility Warrant will be issued under Resolution 5B as part consideration for the Lender's provision of the Working Capital Facility.</p> </td></tr> </table>	<b>Maximum no. of securities to be issued</b>	<p>Resolution 5A: 1 Refinance Facility Warrant, exercisable into 80,000,000 Refinance Facility Warrant Shares (on a pre-Consolidation basis).</p> <p>Resolution 5B: 1 Working Capital Facility Warrant, exercisable into the Working Capital Facility Warrant Shares. The maximum number of Working Capital Facility Warrant Shares that may be issued is not currently known, and will be calculated in accordance with the formula set out in Schedule 2.</p>	<b>Date by which securities will be issued</b>	<p>Subject to Shareholder approval being obtained, the Company will issue the Warrants under Resolutions 5A and 5B as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.</p>	<b>Issue price per security</b>	<p>The Warrants will be issued for nil cash consideration.</p> <p>The Refinance Facility Warrant will be issued under Resolution 5A as part consideration for the Lender's provision of the Refinance Facility.</p> <p>The Working Capital Facility Warrant will be issued under Resolution 5B as part consideration for the Lender's provision of the Working Capital Facility.</p>
<b>Maximum no. of securities to be issued</b>	<p>Resolution 5A: 1 Refinance Facility Warrant, exercisable into 80,000,000 Refinance Facility Warrant Shares (on a pre-Consolidation basis).</p> <p>Resolution 5B: 1 Working Capital Facility Warrant, exercisable into the Working Capital Facility Warrant Shares. The maximum number of Working Capital Facility Warrant Shares that may be issued is not currently known, and will be calculated in accordance with the formula set out in Schedule 2.</p>						
<b>Date by which securities will be issued</b>	<p>Subject to Shareholder approval being obtained, the Company will issue the Warrants under Resolutions 5A and 5B as soon as is practicable after the Meeting, or in any event no later than 3 months after the date of the Meeting.</p>						
<b>Issue price per security</b>	<p>The Warrants will be issued for nil cash consideration.</p> <p>The Refinance Facility Warrant will be issued under Resolution 5A as part consideration for the Lender's provision of the Refinance Facility.</p> <p>The Working Capital Facility Warrant will be issued under Resolution 5B as part consideration for the Lender's provision of the Working Capital Facility.</p>						

	<p><b>Recipient of issue</b></p> <p><b>Terms of securities</b></p> <p><b>Use of funds raised</b></p>	<p>The Lender or its nominee(s).</p> <p>Detailed terms of the Refinance Facility Warrant and Working Capital Facility Warrant are set out in Schedule 2.</p> <p>No funds will be raised from the issue of the Warrants, as they are being issued as part consideration for the Lender's provision of the Refinance Facility and Working Capital Facility.</p> <p>In the event that any funds are raised by the exercise of the Warrants prior to their expiry date, the Company expects that it will apply such funds towards repayment of the Refinance Facility and Working Capital Facility, and/ or its general working capital requirements.</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to each of Resolutions 5A and 5B, as set out in the Notice.	
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of Resolutions 5A and 5B.	
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 5A and 5B.	

## Approval for issue of Deferred Consideration Shares

Resolution 6	Approval for issue of Deferred Consideration Shares
<b>Explanation</b>	<p>As announced on 2 October 2019, the Company has acquired the exclusive rights to distribute the AngelMed Guardian® System in eight Asia Pacific countries, under a binding agreement with the current holder of those rights, Jasper Capital Ltd (<b>Vendor</b>), an investor in AngelMed (<b>Agreement</b>).</p> <p>Completion of the transaction is subject to certain conditions precedent and customary approvals. Further terms of the Agreement are detailed in the Company's ASX announcement dated 2 October 2019.</p> <p>Under the Agreement, up to 150,000,000 Shares (on a pre-Consolidation basis) may be issued to the Vendor in 4 tranches, subject to certain commercial milestones being satisfied by no later than 30 September 2021 (<b>Deferred Consideration Shares</b>). These milestones relate to customary regulatory authority and reimbursement approvals for the distribution of the Guardian System being obtained in agreed territories, and are detailed below.</p> <ul style="list-style-type: none"> <li>▪ <b>Tranche 1A</b> (50 million Deferred Consideration Shares) and <b>Tranche 1B</b> (25 million Deferred Consideration Shares) will each be payable upon receipt of all approvals that are necessary for commercial implant of the Guardian System product in relevant jurisdictions prescribed for each Tranche, including Australia, Japan and Singapore.</li> <li>▪ <b>Tranche 2</b> – 50 million Deferred Consideration Shares will be payable upon receipt of regulatory approvals from the Health Sciences Authority of Singapore (HSA) required for the distribution of the Guardian System product in Singapore, and the completion of five commercial implants of the Guardian System that receive reimbursement in Singapore. These milestones must be completed by 31 October 2020 (extendable to 31 March 2021) in order for the Tranche 2 consideration to be payable.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ <b>Tranche 3</b> – 25 million Deferred Consideration Shares will be payable upon receipt of applicable regulatory approvals required for the distribution of the Guardian System product in at least one of six Asia Pacific countries (Australia, Japan, Hong Kong, Malaysia, Indonesia and Thailand), and the completion of one commercial implant of the Guardian System that receives reimbursement in that country. These milestones must be completed by 31 March 2021 (extendable to 30 September 2021) in order for the Tranche 3 consideration to be payable. In addition, the Tranche 3 consideration will be payable no earlier than 31 March 2021, even where the milestones are satisfied prior to that date.</li> </ul> <p><i>Note: all figures above are provided on a pre-Consolidation basis.</i></p> <p>All Deferred Consideration Shares issued by Hydrix will be subject to voluntary escrow restrictions from their date of issue until 31 December 2021 (<b>Escrow Restriction</b>).</p> <p>Resolution 6 seeks Shareholder approval under ASX Listing Rule 7.1 for the issue of the Deferred Consideration Shares to the Vendor, without using the Company's 15% Placement Capacity under ASX Listing Rule 7.1.</p>
<b>ASX Waiver</b>	<p>The Company has been granted a waiver from ASX on 13 November 2019 in respect of ASX Listing Rule 7.3.2 (<b>ASX Waiver</b>) to permit the Deferred Consideration Shares to be issued on dates later than 3 months after the Meeting.</p> <p>The terms and conditions of the ASX Waiver are set out below.</p> <p>Based solely on the information provided by the Company, ASX granted the Company a waiver from Listing Rule 7.3.2 to the extent necessary to permit the Company to issue the Deferred Consideration Shares on the following conditions:</p> <ul style="list-style-type: none"> <li>▪ The Company issues the Deferred Consideration Shares upon the milestones described above being achieved, by no later than 30 September 2021;</li> <li>▪ For any annual reporting period during which any of the Deferred Consideration Shares have been issued or any of them remain to be issued, the Company's annual report sets out in detail the number of Deferred Consideration Shares issued during the reporting period, the number of Deferred Consideration Shares that remain to be issued and the basis on which the Deferred Consideration Shares may be issued;</li> <li>▪ In any half year or quarterly report for a period during which any of the Deferred Consideration Shares have been issued or remain to be issued, the Company must include a summary statement of the number of Deferred Consideration Shares issued during the reporting period, and the number of Deferred Consideration Shares that remain to be issued and the basis on which the Deferred Consideration Shares may be issued;</li> <li>▪ The Company includes the terms of this waiver in this Notice;</li> <li>▪ This Notice contains the full terms and conditions on which the Deferred Consideration Shares are proposed to be issued; and</li> <li>▪ The performance milestones (as described above) which must be satisfied for the Deferred Consideration Shares to be issued are not varied.</li> </ul>
<b>Specific Information for Resolution 6</b>	<p>In accordance with ASX Listing Rule 7.3, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1, the following information is provided to shareholders:</p>

	<p><b>Maximum no. of securities to be issued</b> 150,000,000 Deferred Consideration Shares</p> <p><b>Date by which securities will be issued</b> In accordance with the ASX Waiver, the Deferred Consideration Shares under this Resolution 6 will be issued progressively in tranches (but by no later than 30 September 2021) upon achievement of the performance milestones described above with respect to each tranche.</p> <p><b>Issue price per security</b> The Deferred Consideration Shares will be issued for nil cash consideration.</p> <p><b>Recipient of issue</b> The Vendor or its nominee(s).</p> <p><b>Terms of securities</b> The Deferred Consideration Shares will, on issue, be fully paid, free from all encumbrances save for the Escrow Restriction and rank equally the other fully paid Shares then on issue in the Company.</p> <p>The Company will apply to ASX for quotation of the Deferred Consideration Shares.</p> <p><b>Use of funds raised</b> No funds will be raised from the issue of the Deferred Consideration Shares as they are being issued for nil cash consideration.</p>
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of this resolution.
<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 6.

## Approval of Long Term Incentive Plan

<b>Resolution 7</b>	<b>Approval of Long Term Incentive Plan</b>
<b>Explanation</b>	Shareholder approval is sought for the Company's Long Term Incentive Plan ( <b>LTIP</b> ) for the purposes of the Listing Rules and the Corporations Act.
<b>ASX Listing Rules</b>	<p>ASX Listing Rule 7.1 provides that a company may not issue Equity Securities, or agree to issue Equity Securities, without the approval of shareholders, if the number of Equity Securities to be issued in any 12 month period (including shares issued on the exercise of any Options) exceeds 15% of the issued capital of the company preceding the issue.</p> <p>ASX Listing Rule 7.2 contains a number of exceptions to the prohibition contained in ASX Listing Rule 7.1. In particular, under Exception 9 in Listing Rule 7.2, any Equity Securities issued under an employee incentive scheme within three years of the date on which shareholders approve the issue of those equity securities are not counted for the purposes of ASX Listing Rule 7.1. Resolution 7 is designed to satisfy the requirements of ASX Listing Rule 7.2.</p>

<b>Corporations Act</b>	<p>Section 259B(1) of the Corporations Act prohibits a company from taking security over its shares except as permitted by section 259B(2). Section 259B(2) states that a company may take security over shares in itself under an employee share scheme that has been approved by resolution passed at a general meeting of the company.</p> <p>Section 260A(1)(c) of the Corporations Act prohibits a company from financially assisting a person to acquire shares in itself except as permitted by section 260(C). Section 260(C)(4) provides for special exemption for approved employee shares schemes and states that financial assistance is exempted from section 260(A) if a resolution is passed at a general meeting of the company.</p> <p>Accordingly shareholder approval is sought under Resolution 7 to ensure compliance with these sections of the Corporations Act.</p>
<b>Purpose of LTIP</b>	<p>The purpose of the LTIP is to provide incentives to management and Directors of the Company who are integral to the operations and ongoing success of the Company. These incentives are designed to encourage greater productivity from Directors and management and to better enable the Company to retain its management personnel in a highly competitive industry.</p> <p>A summary of the LTIP is provided below.</p> <p>Should this Resolution 7 be passed, the Company will have the necessary flexibility to issue securities as an incentive to key management, and the issue of securities under the LTIP will not be included within the Company's placement capacity pursuant to ASX Listing Rule 7.1.</p>
<b>Details of the LTIP</b>	<p><b>General</b></p> <p>The LTIP is intended to retain and motivate the Company's management team.</p> <p>Under the LTIP, the Board has the discretion to offer shares or grant options or performance rights to eligible employees (which includes Directors) of the Company or a related body corporate. An offer of shares may be accompanied by an offer of a loan (acquisition loan) from the Company or a related body corporate to acquire the shares.</p> <p>Note: there is no current proposal to offer acquisition loans under the LTIP.</p> <p>Both options and performance rights give a participant in the LTIP a right to acquire shares in the Company subject to the achievement of time based and/or performance based vesting conditions, with options requiring the payment of an exercise price to acquire the shares and a performance right not requiring the payment of an exercise price.</p> <p>The Board has the discretion to amend the rules of the LTIP (including in respect of previous awards of shares, options or performance rights) but not so as to reduce the rights of participants, except where necessary to correct obvious errors or mistakes or to comply with legal requirements or where agreed by the participant.</p> <p>Awards under the LTIP are made at the Board's discretion.</p> <p><b>Eligibility</b></p> <p>The rules allow for offers under the LTIP to be made to any employee of the Company or a related body corporate, including Directors, or such other person as the Board determines. However, it has been the case and it is currently intended to continue to be the case that participation in the LTIP will only be offered to the Company's senior executive leadership team including Directors.</p>



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**Issue of shares and grant of options and performance rights**

Shares, options and performance rights may be issued under the LTIP subject to vesting conditions, including time and performance based hurdles.

The Board determines the details of the vesting conditions attaching to shares, options and performance rights under the LTIP prior to offers of participation being made. Shares, options or performance rights will only vest (under normal circumstances) upon satisfaction of the time and performance based vesting conditions. If those conditions are not met, shares will be bought back or the options or performance rights will generally expire and not be capable of exercise.

No amount is payable on the grant of options or performance rights offered under the LTIP.

**Delivery of shares**

Shares in the Company will be delivered to participants upon exercise of vested options or performance rights. On exercise, the Company may deliver shares by new issue or by purchasing shares for transfer to participants. No exercise price is payable on the exercise of performance rights unless otherwise determined by the Board at the date of grant.

**Buy-back of shares**

The LTIP provides for the buy-back of shares offered under the LTIP in certain circumstances, including on the forfeiture of the shares. Buy-back proceeds must be applied towards the repayment of any acquisition loan used to acquire the shares.

**Change of control**

On a change of control of the Company, the Board has discretion to waive the vesting conditions applicable to unvested options and performance rights, subject to such terms and conditions as it determines.

**Plan limits**

Issues of shares including on exercise of options or performance rights granted under the LTIP will be subject to a cap of 5% of the issued share capital of the Company, inclusive of shares that may be issued under other employee incentive schemes of the Company for employees and Non-Executive Directors, but disregarding offers made outside of Australia, made under a prospectus or other disclosure document or which do not require a disclosure document.

**Expiry of options and performance rights**

Unless otherwise determined by the Board in its discretion, options and performance rights which have not been exercised will expire and cease to exist on the expiry date specified at the date of grant or upon the Board making a determination that the options or performance rights are to be forfeited.

**Restrictions on shares and forfeiture conditions**

Shares, options and performance rights, and shares delivered on exercise, may be subject to forfeiture (subject to lifting at the discretion of the Board) if a participant commits any act of fraud, defalcation or gross misconduct in relation to the Company or a related body corporate. In addition, the Board can decide, on the offer of shares or the grant of options or performance rights under the LTIP the circumstances under which the shares, options or performance rights are to be forfeited in additional circumstances, such as the termination or cessation of employment.

Shares delivered on exercise of options or performance rights may be subject to disposal restrictions (subject to removal at the discretion of the Board).

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	<p><b>Hedging economic exposure prohibited</b></p> <p>Without limiting the prohibitions in Part 2D.7 of the Corporations Act (ban on hedging remuneration of key management personnel), the terms of the LTIP prohibit entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under the LTIP.</p>
<b>Securities issued under the LTIP</b>	<p>The LTIP was last approved by shareholders at the 2016 Annual General Meeting on 29 November 2016. Since that date, 10,250,000 Performance Rights and 2,000,000 Shares have been issued under the LTIP.</p> <p>Under Resolutions 8A and 8B, it is proposed that Mr Gavin Coote and Mr Paul Wright respectively be issued with performance rights under the LTIP.</p>
<b>Voting Exclusion</b>	A voting exclusion statement applies to this item of business, as set out in the Notice.
<b>Board Recommendation</b>	As the Directors are eligible to participate in the LTIP, the Directors do not make any recommendation to shareholders in relation to this Resolution.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

## Issues of securities to Directors

<b>Resolutions 8A and 8B</b> <b>Approval for issue of Performance Rights to Gavin Coote and Paul Wright under LTIP</b>	
<b>Explanation</b>	The Company seeks shareholder approval under Resolutions 8A and 8B for the issue of Performance Rights under the LTIP to Mr Gavin Coote (Chairman) and Mr Paul Wright (Director), or their respective nominees.
<b>ASX Listing Rules</b>	<p>The Company is required by ASX Listing Rule 10.14 to obtain shareholder approval to grant securities, including Performance Rights, to Directors under the LTIP.</p> <p>In accordance with the ASX Listing Rules, Shareholders are being asked under Resolutions 8A and 8B to approve the grant of the Performance Rights to Mr Coote and Mr Wright respectively under the LTIP, and to the extent those Performance Rights vest, the underlying Shares.</p> <p>Exception 14 in ASX Listing Rule 7.2 provides that ASX Listing Rule 7.1 does not apply where shareholder approval for an issue of securities is obtained under ASX Listing Rule 10.14. This means that, if Shareholder approval is obtained for Resolutions 8A and 8B, approval is not required for the purposes of ASX Listing Rule 7.1.</p>

<p><b>Approval not sought under Chapter 2E of the Corporations Act</b></p>	<p>As noted above, for the purposes of Chapter 2E, Mr Coote and Mr Wright are both related parties of the Company, and the issue of Performance Rights to each of them constitutes the provision of a “financial benefit” by the Company to them.</p> <p>The giving of a financial benefit to a related party of a public company is prohibited by Chapter 2E of the Corporations Act, unless the benefit is given with the approval of shareholders or where an exception applies. One exception to the general rule is where the benefit constitutes “reasonable remuneration” in respect of the duties and responsibilities of the related party in the management of the public company.</p> <p>The Directors consider that the granting of the Performance Rights to Mr Coote and Mr Wright constitutes reasonable remuneration to each of them, given both the Company’s circumstances and the responsibilities involved in their respective roles within the organisation. On this basis, as the provision of such a benefit is expressly permitted by section 211(1) of the Corporations Act, the Directors do not consider the Company is required to seek shareholder approval for the purposes of Chapter 2E of the Corporations Act in order to give Mr Coote and Mr Wright the financial benefit that is inherent in the issue of the Performance Rights.</p>
<p><b>Terms of Performance Rights - Resolution 8A (Gavin Coote)</b></p>	<p><b>Performance Period</b></p> <p>Of the 5,000,000 Performance Rights proposed to be issued to Mr Coote under Resolution 8A:</p> <ul style="list-style-type: none"> <li>2,500,000 Performance Rights will vest after the performance period between 1 July 2019 and 30 June 2020, subject to satisfaction of the Vesting Conditions described below (<b>First 8A Tranche</b>).</li> <li>2,500,000 Performance Rights will vest after the performance period between 1 July 2019 and 30 June 2021, subject to satisfaction of the Vesting Conditions described below (<b>Second 8A Tranche</b>).</li> </ul> <p><b>Vesting Conditions</b></p> <p>The vesting of Performance Rights will be subject to the following conditions being met:</p> <ul style="list-style-type: none"> <li>Mr Coote’s fulfilment of key performance hurdles prescribed by the Board, which will be tested over FY2020 (1 July 2019 – 30 June 2020). The performance hurdles are based on financial, operational, corporate governance, strategic planning and business development targets set by the Board, including with respect to achieving market milestone guidance; implementing a robust corporate governance framework; establishing an updated strategic plan and FY2021 budget; and maintaining and building effective relationships with strategic partners and stakeholders. The Board will assess the achievement of the performance hurdles after the end of FY2020, on the basis of the Company’s audited annual accounts for that financial year;</li> <li>with respect to the First 8A Tranche, Mr Coote remaining as a Director of the Company until 30 June 2020; and</li> <li>with respect to the Second 8A Tranche, Mr Coote remaining as a Director of the Company until 30 June 2021.</li> </ul> <p><b>Issue of Shares</b></p> <p>Subject to the satisfaction of the Vesting Conditions, Mr Coote will receive one Share in the Company for each vested Performance Right. No cash consideration will be payable for the issue of the Performance Rights, or on the issue of the underlying Shares upon the vesting of the Performance Rights.</p>

<b>Terms of Performance Rights - Resolution 8B (Paul Wright)</b>	<p><b>Performance Periods</b></p> <p>Of the 3,000,000 Performance Rights proposed to be issued to Mr Wright under Resolution 8B:</p> <ul style="list-style-type: none"> <li>1,500,000 Performance Rights will vest after the performance period between 1 July 2019 and the date of the Company's 2020 Annual General Meeting, subject to satisfaction of the Vesting Conditions described below (<b>First 8B Tranche</b>).</li> <li>1,500,000 Performance Rights will vest after the performance period between 1 July 2020 and the date of the Company's 2021 Annual General Meeting, subject to satisfaction of the Vesting Conditions described below (<b>Second 8B Tranche</b>).</li> </ul> <p><b>Vesting Conditions</b></p> <p>The vesting of Performance Rights will be subject to the following conditions being met:</p> <ul style="list-style-type: none"> <li>Mr Wright's continued provision of consulting and advisory services to the Company during FY2020 which meet financial, operational, strategic planning and business development objectives prescribed by the Board. The Board will assess the achievement of the performance targets after the end of FY2020, on the basis of the Company's audited annual accounts for that financial year;</li> <li>with respect to the First 8B Tranche, Mr Wright remaining as a Director of the Company until the date of the Company's 2020 Annual General Meeting; and</li> <li>with respect to the Second 8B Tranche, Mr Wright remaining as a Director of the Company until the date of the Company's 2021 Annual General Meeting; and</li> </ul> <p><b>Issue of Shares</b></p> <p>Subject to the satisfaction of the Vesting Conditions, Mr Wright will receive one Share in the Company for each vested Performance Right. No cash consideration will be payable for the issue of the Performance Rights, or on the issue of the underlying Shares upon the vesting of the Performance Rights.</p>
<b>Other terms of Performance Rights issued under Resolutions 8A and 8B</b>	<p>Subject to the ASX Listing Rules, in circumstances of death or disability, any unvested Performance Rights will vest on a pro rata basis based on the proportion of the Performance Period which has elapsed as at the date of death or disability.</p> <p>In the event of a change of control in relation to the Company, and subject to the terms of the LTIP, unvested Performance Rights will vest on the date of the change of control.</p> <p>The Performance Rights issued will not be listed on ASX and will not be transferable, except as permitted under the LTIP.</p>

<p><b>Specific information required by ASX Listing Rule 10.15</b></p>	<p>For the purposes of the approvals sought under ASX Listing Rule 10.14 and in accordance with the requirements of ASX Listing Rule 10.15 and for all other purposes, the following information is provided to shareholders in respect of the proposed grant of Performance Rights to Mr Coote and Mr Wright under Resolutions 8A and 8B.</p> <p>(a) <b>Number of securities to be issued:</b></p> <p>Resolution 8A: 5,000,000 Performance Rights to Gavin Coote (or nominee) Resolution 8B: 3,000,000 Performance Rights to Paul Wright (or nominee)</p> <p>(b) <b>Terms of performance rights:</b> As above.</p> <p>(c) <b>Price:</b> No consideration will be payable for the grant of the Performance Rights under the LTIP to Mr Coote or Mr Wright, or for the issue of underlying Shares to each of them upon vesting of the Performance Rights.</p> <p>(d) <b>Details of prior grants:</b> The LTIP was last approved by shareholders at the 2016 Annual General Meeting on 29 November 2016. Since that date, the only person referred to in ASX Listing Rule 10.14 who has received securities under the LTIP is Mr Gavin Coote. Mr Coote received 10,000,000 Performance Rights in relation to FY18 and FY19, on 12 December 2017. No acquisition price was payable for those Performance Rights.</p> <p>(e) <b>Names of persons listed in ASX Listing Rule 10.14 entitled to participate in LTIP:</b> The only persons referred to in ASX Listing Rule 10.14 entitled to participate in the LTIP are the Directors (Mr Gavin Coote, Ms Joanne Bryant, Ms Julie King and Mr Paul Wright).</p> <p>(f) <b>No Loans:</b> No loans are proposed to be provided in relation to the acquisition of the Performance Rights under Resolutions 8A and 8B.</p> <p>(g) <b>Date of issue:</b> Subject to shareholder approval, the Performance Rights will be issued to Mr Coote and Mr Wright as soon as possible after the Meeting, or in any event within 12 months from the date of the Meeting.</p>
<p><b>Voting Exclusion</b></p>	<p>A voting exclusion statement applies to each of Resolution 8A and 8B, as set out in the Notice.</p>
<p><b>Board Recommendation</b></p>	<p>Mr Coote declines to make a recommendation to shareholders in relation to Resolution 8A due to his interest in the outcome of the resolution. The other Directors, who do not have an interest in the outcome of this resolution, recommend that shareholders vote in favour of Resolution 8A.</p> <p>Mr Wright declines to make a recommendation to shareholders in relation to Resolution 8B due to his interest in the outcome of the resolution. The other Directors, who do not have an interest in the outcome of this resolution, recommend that shareholders vote in favour of Resolution 8B.</p>
<p><b>Chairman's available proxies</b></p>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of Resolutions 8A and 8B.</p>

## Approval of issue of securities to Director Paul Wright in lieu of fees

Resolution 8C	Approval for issue of Shares to Director Paul Wright in lieu of fees
<p><b>Explanation</b></p>	<p>The Company seeks shareholder approval for the issue of 1,551,724 Shares to Mr Paul Wright, Non-Executive Director of the Company, or his nominee(s), as consideration for consultancy services provided during the period of 8 August 2018–30 June 2019, without using the Company’s 15% placement capacity under ASX Listing Rule 7.1.</p> <p>Mr Wright is currently entitled to receive cash remuneration of \$45,000 per annum for his services as Non-Executive Director of the Company. Since the date of Mr Wright’s appointment to the Board on 8 August 2018, he has undertaken an active role in the management, growth and strategic direction of the Company, by providing consultancy and advisory services to the Company (which are outside the scope of typical Non-Executive Director responsibilities). As consideration for these additional services, it is proposed that the Company issue Mr Wright with 1,551,724 Shares at a deemed issue price of \$0.029 per Share (equivalent to the November Placement issue price), in lieu of approximately \$45,000 in consultancy fees.</p> <p>Given the current stage of development of the Company, and the necessity for cash resources to be preserved and directed into the growth of the Company’s business, Mr Wright has agreed to forego cash payment of consultancy / advisory fees, and to be issued Shares instead.</p> <p>An alternative to the issue of the shares to Mr Wright would be to remunerate him for his consultancy services in cash. Whilst the Board remains mindful of the need to minimise dilution to shareholders, the Board considers that the issue of Shares to Mr Wright in lieu of fees is an appropriate and responsible cash-free method of reducing corporate overhead expenditure, whilst concurrently aligning the interests of Mr Wright with that of shareholders.</p>
<p><b>Approval not sought under Chapter 2E of the Corporations Act</b></p>	<p>As noted above, Mr Wright is a related party of the Company, and accordingly the giving of a financial benefit to him by the Company would ordinarily be prohibited by Chapter 2E of the Corporations Act, unless the benefit is given with the approval of shareholders or where an exception applies.</p> <p>In the view of the Board, the issue of the Shares to Mr Wright in lieu of his foregone cash fees constitutes “reasonable remuneration” and, as the provision of such benefits is expressly permitted by section 211(1) of the Corporations Act, the Board does not consider the Company is required to seek shareholder approval under Chapter 2E of the Corporations Act in order to give Mr Wright the financial benefit that is inherent in the issue to him of the Shares. In addition, the Board notes that the quantum of advisory/ consultancy fees payable to Mr Wright was negotiated between him and the Board (with Mr Wright abstaining) at arm’s length, and that the deemed issue price of the Shares to Mr Wright was similarly determined on an arm’s length basis, with regard to the issue price of the November Placement Shares.</p>
<p><b>Reason for Resolution 8C</b></p>	<p>ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval prior to the issue of securities to a related party of the company. As noted above, Mr Wright is a related party of the Company by virtue of section 228(2) of the Corporations Act. Accordingly, Resolution 8C seeks the shareholder approval required by ASX Listing Rule 10.11 to allow the issue of Shares to Mr Wright.</p> <p>If shareholder approval is given for the purposes of ASX Listing Rule 10.11, approval will not be required under ASX Listing Rule 7.1, and the shares issued pursuant to Resolution 8 will not deplete the Company’s 15% placement capacity.</p>

<b>Specific information required by ASX Listing Rule 10.13</b>	<p>In accordance with ASX Listing Rule 10.13, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 10.11, the following information is provided to shareholders:</p> <table> <tr> <td><b>Maximum no. of securities to be issued</b></td><td>1,551,724 Shares</td></tr> <tr> <td><b>Date by which securities will be issued</b></td><td>If shareholder approval is obtained for Resolution 8C, the Company will issue the Shares to Mr Wright as soon as is practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.</td></tr> <tr> <td><b>Issue price per security</b></td><td>The 1,551,724 Shares will be issued at nil cash consideration and at a deemed issue price of \$0.029 per Share.</td></tr> <tr> <td><b>Recipient of issue</b></td><td>Mr Paul Wright or his nominee(s).</td></tr> <tr> <td><b>Terms of securities</b></td><td>The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.</td></tr> <tr> <td><b>Use of funds raised</b></td><td>No funds will be raised by the issue of shares to Mr Wright, although the Company's liability to Mr Wright in relation to payment of fees in cash will be satisfied by the issue of the Shares, thus preserving the Company's cash to that extent.</td></tr> </table>	<b>Maximum no. of securities to be issued</b>	1,551,724 Shares	<b>Date by which securities will be issued</b>	If shareholder approval is obtained for Resolution 8C, the Company will issue the Shares to Mr Wright as soon as is practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.	<b>Issue price per security</b>	The 1,551,724 Shares will be issued at nil cash consideration and at a deemed issue price of \$0.029 per Share.	<b>Recipient of issue</b>	Mr Paul Wright or his nominee(s).	<b>Terms of securities</b>	The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.	<b>Use of funds raised</b>	No funds will be raised by the issue of shares to Mr Wright, although the Company's liability to Mr Wright in relation to payment of fees in cash will be satisfied by the issue of the Shares, thus preserving the Company's cash to that extent.
<b>Maximum no. of securities to be issued</b>	1,551,724 Shares												
<b>Date by which securities will be issued</b>	If shareholder approval is obtained for Resolution 8C, the Company will issue the Shares to Mr Wright as soon as is practicable after the Meeting, or in any event no later than 1 month after the date of the Meeting.												
<b>Issue price per security</b>	The 1,551,724 Shares will be issued at nil cash consideration and at a deemed issue price of \$0.029 per Share.												
<b>Recipient of issue</b>	Mr Paul Wright or his nominee(s).												
<b>Terms of securities</b>	The Shares will be fully paid ordinary shares ranking pari-passu with other existing fully paid ordinary shares in the Company.												
<b>Use of funds raised</b>	No funds will be raised by the issue of shares to Mr Wright, although the Company's liability to Mr Wright in relation to payment of fees in cash will be satisfied by the issue of the Shares, thus preserving the Company's cash to that extent.												
<b>Voting Exclusion</b>	A voting exclusion statement applies to this resolution, as set out in the Notice.												
<b>Board Recommendation</b>	Mr Wright declines to make a recommendation to shareholders in relation to Resolution 8C due to his interest in the outcome of the resolution. The other Directors, who do not have an interest in the outcome of this resolution, recommend that shareholders vote in favour of Resolution 8C.												
<b>Chairman's available proxies</b>	The Chairman intends to vote all available proxies in favour of Resolution 8C.												

## Appointment of auditor

Resolution 9	Appointment of Grant Thornton Audit Pty Ltd as the Company's auditor
<b>Explanation</b>	<p>Under section 328B(1) of the Corporations Act, a shareholder of the Company may give notice of nomination of an auditor whose appointment can be considered at the meeting (<b>Notice of Nomination</b>).</p> <p>A Notice of Nomination dated 7 November 2019 was given to the Company Secretary by John W King Nominees Pty Ltd to nominate Grant Thornton Audit Pty Ltd (<b>Grant Thornton</b>) as auditor of the Company.</p> <p>RSM Australia Partners has been auditor of the Company since 2016. Whilst the Board has been satisfied with the audit services provided by RSM Australia Partners, the Board considers that it would be appropriate for the firm appointed as the Company's auditor to change at this time.</p> <p>RSM Australia Partners has sought consent from ASIC to resign as auditor of the Company. Once ASIC notifies RSM Australia Partners and the Company that it consents to RSM Australia Partners' resignation, RSM Australia Partners will give its notice of resignation to the Company with effect from the end of the Annual General Meeting or such other date as prescribed by ASIC.</p>

	<p>In accordance with section 328B(3) of the Corporations Act, a copy of the Notice of Nomination:</p> <ul style="list-style-type: none"> <li>a) has been provided to Grant Thornton;</li> <li>b) has been provided to RSM Australia Partners; and</li> <li>c) is attached to this Notice of Meeting as Schedule 1.</li> </ul> <p>Grant Thornton has provided to the Company written consent to act as auditor of the Company, in accordance with section 328A(1) of the Corporations Act.</p> <p>The Corporations Act requires that shareholders approve the appointment of a new auditor. Subject to RSM Australia Partners receiving consent to resign as the Company's auditor, and the Company receiving shareholder approval at the 2019 Annual General Meeting, Grant Thornton will become the new auditor of the Company, effective at close of the Meeting.</p> <p>If ASIC does not consent to RSM Australia Partners' resignation as Company's auditor, RSM Australia Partners will continue as the Company's auditor, regardless of the outcome of Resolution 9.</p>
<b>Board Recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of this resolution.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this resolution.

## Repeal and replacement of Company Constitution

Resolution 10	Repeal and Replacement of Company constitution
<b>Explanation</b>	<p>There have been certain changes proposed to the ASX Listing Rules, which are intended to take effect from 1 December 2019, and which require listed entities with restricted securities on issue to include certain provisions in their constitutions.</p> <p>Notwithstanding that the Company does not currently have any restricted securities on issue, the Company seeks to repeal its existing constitution and replace it with an updated constitution that is consistent with the new proposed ASX Listing Rules.</p> <p>A copy of the proposed new constitution will be sent to any shareholder on written request made to the Company Secretary at 30-32 Compark Circuit, Mulgrave VIC 3170, or via email (Alyn.Tai@hydrix.com).</p> <p>A copy will also be available for inspection at the Annual General Meeting.</p> <p>For a summary of the rights and liabilities attaching to shares and other material provisions of the proposed new constitution, refer to Schedule 3.</p> <p>The resolution the subject of Resolution 10 is a <b>special resolution</b>. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.</p>
<b>Board recommendation</b>	The Directors unanimously recommend that shareholders vote in favour of this Resolution.
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution.



## Share Consolidation

Resolution 11	Share Consolidation
<p><b>Explanation</b></p>	<p>The purpose of Resolution 11 is to enable the Company to consolidate its Shares into a smaller number. Section 254H(1) of the Corporations Act provides that the Company may convert all or any of its shares into a larger or smaller number of Shares by a resolution passed at a general meeting of Shareholders.</p> <p>For the reasons set out below, the Company is seeking Shareholder approval of the consolidation of issued ordinary shares into a smaller number of shares in the ratio of 10 to 1 (<b>Consolidation</b>), by way of an ordinary resolution pursuant to section 254H of the Corporations Act.</p> <p><b>Reasons for Resolution 11</b></p> <p>In comparison to other companies listed on the ASX, the Company currently has a large number of shares on issue when considered in relation to the Company's market capitalisation. The consequence of this is that the market price per Company share traded on the ASX is relatively low.</p> <p>In the interests of its Shareholders, the Board believes that the Consolidation will establish a share price that is more appropriate for a listed entity of the Company's size.</p> <p>The Board further believes that this will make the Company more attractive to potential investors. In addition, the Consolidation may have future potential cost saving benefits in terms of administrative costs.</p> <p><b>Effect of Resolution 11 on Shareholders</b></p> <p>As at the date of this Notice, the Company has 756,880,183 Shares on issue. The Consolidation proposed by Resolution 11 will have the effect of reducing the number of Shares on issue to approximately 75,688,018 post Consolidation. Individual holdings will be reduced in accordance with the Consolidation ratio.</p> <p>As the Consolidation applies equally to all members (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each member in the Company. Further, the aggregate value of each member's proportional interest in the Company will not materially change solely as a result of the Consolidation as the only anticipated changes, which will be a result of rounding, will be immaterial.</p> <p>Theoretically, the market price of each share following the Consolidation should increase by 10 times its current value. Practically, the actual effect on the market price of each share will be dependent upon on a number of factors which will not be within the control of the Company. Therefore, this may result in the market price of each share following Consolidation being higher or lower than the theoretical post-Consolidation price.</p> <p><b>Treatment of Options</b></p> <p>The Company currently has 31,250,000 options on issue, each exercisable into a Share at \$0.08 each, expiring on 31 July 2020 (<b>Options</b>). In accordance with ASX Listing Rule 7.22, and the terms of issue of the Options, the Consolidation will involve a corresponding adjustment to Options, having the effect that the number of Options will reduce in proportion to the ordinary share capital and the exercise price will increase in inverse proportion to the Consolidation ratio. This means that every 10 Options exercisable at \$0.08 each will instead become a single Option exercisable at \$0.80.</p> <p><b>Treatment of Warrants</b></p> <p>In the event that Resolution 11 is approved, the terms of the Warrant Shares the subject of Resolutions 5A and 5B will be reorganised, such that the number of Warrant Shares that may be issued will reduce in proportion to the Consolidation ratio, and their exercise price will increase in inverse proportion to the Consolidation ratio.</p>

	<p><b>Fractional Entitlements</b></p> <p>Where a Shareholder's shareholding or an optionholder's Option holding is not a multiple of ten, this will result in the fraction of a Share or Option following the Consolidation. It is proposed that each fraction of a Share or Option will be rounded to the nearest whole number after Consolidation, with exact half Shares or Options being rounded up and post-Consolidation holdings of less than one being rounded up.</p> <p><b>Timetable for Consolidation</b></p> <p>The Consolidation, if approved by Shareholders, will take effect in accordance with the indicative timetable below.</p> <table border="1"> <thead> <tr> <th>Key event</th><th>Indicative date</th></tr> </thead> <tbody> <tr> <td>Announcement of Consolidation. The Notice of Meeting containing the proposed resolution for the Consolidation is announced to the ASX and despatched to shareholders.</td><td>15 November 2019</td></tr> <tr> <td>Annual General Meeting of Shareholders. The proposed Consolidation is approved by the shareholders.</td><td rowspan="2">12 December 2019</td></tr> <tr> <td>Notification to ASX that Consolidation is approved</td></tr> <tr> <td>Last day for trading in pre-consolidated Shares</td><td>13 December 2019</td></tr> <tr> <td>Trading in the consolidated Shares on a deferred settlement basis commences</td><td>16 December 2019</td></tr> <tr> <td>Last day to register transfers of Shares on a pre-Consolidation basis</td><td>17 December 2019</td></tr> <tr> <td>First day for registration of securities on a post-Consolidation basis</td><td>18 December 2019</td></tr> <tr> <td>Last day for despatch of new holding statements. Deferred settlement trading ends</td><td>24 December 2019</td></tr> <tr> <td>Normal trading starts</td><td>27 December 2019</td></tr> </tbody> </table> <p><b>Holding Statements</b></p> <p>From the date of Consolidation, all holding statements for Shares and Options will cease to have any effect, except as evidence of entitlement to a certain number of shares on a post-Consolidation basis. As soon as practicable after the Consolidation takes effect, the Company will arrange for new holding statements to be despatched to Shareholders and Option holders.</p> <p><b>Taxation implications</b></p> <p>It is not considered that any taxation implications for Shareholders will arise out of the Consolidation. However, Shareholders are advised to seek independent tax advice in relation to the effect of the Consolidation. Neither the Company nor the Board accept any responsibility for any individual taxation implications arising out of the Consolidation.</p>	Key event	Indicative date	Announcement of Consolidation. The Notice of Meeting containing the proposed resolution for the Consolidation is announced to the ASX and despatched to shareholders.	15 November 2019	Annual General Meeting of Shareholders. The proposed Consolidation is approved by the shareholders.	12 December 2019	Notification to ASX that Consolidation is approved	Last day for trading in pre-consolidated Shares	13 December 2019	Trading in the consolidated Shares on a deferred settlement basis commences	16 December 2019	Last day to register transfers of Shares on a pre-Consolidation basis	17 December 2019	First day for registration of securities on a post-Consolidation basis	18 December 2019	Last day for despatch of new holding statements. Deferred settlement trading ends	24 December 2019	Normal trading starts	27 December 2019
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<b>Board Recommendation</b>	The Board believes that the Consolidation is fair and reasonable to the Company's Shareholders as a whole, and unanimously recommends that Shareholders vote in favour of Resolution 11.																			
<b>Chairman's available proxies</b>	The Chairman of the Meeting intends to vote all available proxies in favour of Resolution 11.																			

## Approval of 10% Placement Capacity

Resolution 12	Approval of 10% Placement Capacity
<p><b>General</b></p>	<p>Under ASX Listing Rule 7.1, every listed entity has the ability to issue 15% of its issued capital without shareholder approval in a 12 month period. ASX Listing Rule 7.1A permits eligible small and mid-cap ASX-listed entities, subject to shareholder approval, to issue Equity Securities of up to an additional 10% of its issued capital by way of placements over a 12 month period, in addition to its ability to issue securities under Listing Rule 7.1 (<b>10% Placement Capacity</b>).</p> <p>The Company seeks shareholder approval under ASX Listing Rule 7.1A for the 10% Placement Capacity. The effect of this resolution will be to allow the Company, subject to the conditions set out below, to issue Equity Securities under the 10% Placement Capacity without using its 15% placement capacity under ASX Listing Rule 7.1.</p> <p>Resolution 12 is a <b>special resolution</b>. Accordingly, at least 75% of votes cast by shareholders present and eligible to vote (in person or by proxy) at the meeting must be in favour of this resolution for it to be passed.</p>
<p><b>Eligibility</b></p>	<p>ASX-listed entities which have a market capitalisation of \$300 million or less, and which are not included in the S&amp;P/ASX 300 Index, are eligible to seek shareholder approval under ASX Listing Rule 7.1A.</p> <p>As at the date of this Notice, the Company, which has a market capitalisation of less than \$300 million, is not included in the S&amp;P/ASX 300 Index. Accordingly, the Company is eligible to seek shareholder approval under ASX Listing Rule 7.1A.</p>
<p><b>Formula</b></p>	<p>The exact number of additional Equity Securities that the Company may issue under the 10% Placement Capacity will be determined by a formula set out ASX Listing Rule 7.1A.2 as follows:</p> $(A \times D) - E$ <p>Where:</p> <p><b>A</b> is the number of shares on issue 12 months before the date of issue or agreement:</p> <ul style="list-style-type: none"> <li>plus the number of fully paid shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;</li> <li>plus the number of partly paid shares that became fully paid in the previous 12 months (there are presently no partly paid shares on issue in the Company);</li> <li>plus the number of shares issued in the previous 12 months with approval of shareholders under ASX Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval; and</li> <li>less the number of shares cancelled in the previous 12 months.</li> </ul> <p><i>'A' has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity</i></p> <p><b>D</b> is 10%.</p> <p><b>E</b> is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rule 7.1 or 7.4.</p>

<b>Conditions of issue under the 10% Placement Capacity</b>	<p>There are a number of conditions applicable to the issue of Equity Securities under ASX Listing Rule 7.1A, including a limitation on the discount to prevailing market price at which they may be issued, and additional disclosure requirements. A summary of these conditions is as follows:</p> <p>(a) Equity Securities issued under the 10% Placement Capacity can only be in a class of securities already quoted. At the date of this Notice, the Company only has one class of securities which are quoted, being ordinary shares.</p> <p>(b) The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:</p> <ul style="list-style-type: none"> <li>i. the date on which the price at which the Equity Securities are to be issued is agreed; or</li> <li>ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the securities are issued.</li> </ul>
<b>Period of validity of shareholder approval</b>	<p>In the event that the Company obtains shareholder approval of Resolution 12, such approval will cease to be valid upon the earlier of:</p> <p>(a) 12 months after the date of this Annual General Meeting; or</p> <p>(b) if applicable, the date on which the Company's shareholders approve a change to the nature or scale of the Company's activities under ASX Listing Rule 11.1.2, or the disposal of the Company's main undertaking under ASX Listing Rule 11.2.</p> <p><b>(Placement Period)</b></p>
<b>Information to be provided to shareholders under ASX Listing Rule 7.3A</b>	
<b>Minimum issue price</b>	<p>The issue price of each Equity Security issued under the 10% Placement Capacity must be no less than 75% of the VWAP for Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before either:</p> <ul style="list-style-type: none"> <li>i. the date on which the price at which the Equity Securities are to be issued is agreed; or</li> <li>ii. if the Equity Securities are not issued within 5 trading days of the date in paragraph (i), the date on which the securities are issued.</li> </ul>
<b>Risk of dilution to shareholders</b>	<p>If Resolution 12 is approved by shareholders, any issue of Equity Securities under the 10% Placement Capacity may present a risk of economic and voting dilution of existing shareholders, including the risk that:</p> <ul style="list-style-type: none"> <li>▪ the market price of the Company's Equity Securities may be significantly lower on the relevant issue date than on the date of the Meeting; and</li> <li>▪ 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.</li> </ul> <p>The table below shows the potential dilution of existing shareholders under various scenarios on the basis of:</p> <ul style="list-style-type: none"> <li>▪ an issue price of \$0.03 per Share which was the closing price of the Company's Shares on the ASX on 5 November 2019; and</li> <li>▪ the variable 'A' being calculated as the number of fully paid ordinary shares on issue as at the date of this Notice, being 756,880,183.</li> </ul>

The table also shows:

- (a) two examples where variable 'A' has increased by 50% and 100%. The number of shares on issue in the Company may increase as a result of the issue of shares that do not require approval of shareholders (for example, pro-rata entitlement issues or scrip issues under takeover offers) or future placements of shares under ASX Listing Rule 7.1 of up to 15% of issued capital that are approved at future general meetings of shareholders; and
- (b) two examples of where the issue price of shares has decreased by 50% and increased by 100%.

VARIABLE 'A'		Dilution		
		50% decrease in issue price \$0.015	Issue price \$0.03	100% increase in issue price \$0.06
<b>Current Variable 'A'</b> 756,880,183 shares	<b>10% voting dilution</b>	75,688,018 shares	75,688,018 shares	75,688,018 shares
	<b>Funds raised</b>	\$1,135,320	\$2,270,641	\$4,541,281
<b>50% increase in current Variable 'A'</b> 1,135,320,275 shares	<b>10% voting dilution</b>	113,532,027 shares	113,532,027 shares	113,532,027 shares
	<b>Funds raised</b>	\$1,702,980	\$3,405,961	\$6,811,922
<b>100% increase in current Variable 'A'</b> 1,513,760,366 shares	<b>10% voting dilution</b>	151,376,037 shares	151,376,037 shares	151,376,037 shares
	<b>Funds raised</b>	\$2,270,641	\$4,541,281	\$9,082,562

The table has been prepared on the following assumptions:

- (a) the Company issues the maximum number of shares available under the 10% Placement Capacity;
- (b) no options to acquire shares on issue in the Company are exercised;
- (c) the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue;
- (d) the table does not show an example of dilution that may be caused to a particular shareholder as a result of placements under the 10% Placement Capacity based on that shareholder's holding at the date of the Meeting.
- (e) the table shows only the effect of issues of Equity Securities under the 10% Placement Capacity in accordance with ASX Listing Rule 7.1A and not under the 15% placement capacity under ASX Listing Rule 7.1.
- (f) the issue of Equity Securities under the 10% Placement Capacity consists only of shares.
- (g) the issue price is \$0.03, being the closing price of the Company's shares on the ASX on 5 November 2019.

**Period of validity**

The Company will only issue and allot the Equity Securities during the Placement Period. The approval under Resolution 12 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 to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking).

<b>Reason for issue of shares under 10% Placement Capacity</b>	<p>The Company may seek to issue the Equity Securities for the following purposes:</p> <ul style="list-style-type: none"> <li>(a) non-cash consideration for the acquisition of new assets, businesses or investments, in which event the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or</li> <li>(b) cash consideration, the proceeds of which will be applied to fund the Company's existing and future activities, appraisal of corporate opportunities, investment in new businesses (if any), the costs incurred in undertaking placement(s) of shares under ASX Listing Rule 7.1.A and for general working capital.</li> </ul> <p>The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.5A upon issue of any Equity Securities.</p>												
<b>Allocation policy</b>	<p>The Company may not issue any or all the Equity Securities for which approval is given and may issue the Equity Securities progressively as the Company places the Equity Securities with investors.</p> <p>The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to factors such as:</p> <ul style="list-style-type: none"> <li>1. fund raising options (and their viability) available to the Company at the relevant time;</li> <li>2. the effect of the issue of the Equity Securities on the control of the Company;</li> <li>3. the financial situation of the Company and the urgency of the requirement for funds; and</li> <li>4. advice from the Company's corporate, financial, legal and broking advisers.</li> </ul> <p>The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice. It is intended that the allottees will be suitable professional and sophisticated investors, and other investors not requiring a disclosure document under section 708 of the Corporations Act, that are known to the Company and/or introduced by third parties.</p> <p>The allottees may include existing substantial shareholders and/or new shareholders, but the allottees will not be related parties of the Company.</p> <p>In the event that the shares under the 10% Placement Capacity are issued as consideration for the acquisition of businesses, assets or investments, it is likely that the allottees will be the vendors of such businesses, assets or investments.</p>												
<b>Previous approval</b>	<p>The Company previously obtained approval under ASX Listing Rule 7.1A on 25 October 2018. In accordance with ASX Listing Rule 7.3A.6, which contains requirements as to the contents of a notice sent to shareholders for the purposes of ASX Listing Rule 7.1A, the following information is provided to shareholders:</p> <p>As at 12 December 2018, being the date that is 12 months prior to the 2019 Annual General Meeting, the Company had the following Equity Securities on issue:</p> <table border="1" data-bbox="464 1816 1449 2002"> <thead> <tr> <th>Class of Equity Securities</th><th>Number</th></tr> </thead> <tbody> <tr> <td>Fully paid ordinary shares</td><td>669,123,459</td></tr> <tr> <td>Unlisted options exercisable at \$0.08 each, expiring 31/7/20</td><td>31,250,000</td></tr> <tr> <td>Unlisted options exercisable at \$0.40 each, vesting 5/9/18, expiring 5/9/19</td><td>5,175,000</td></tr> <tr> <td>Performance Rights</td><td>5,225,000</td></tr> <tr> <td><b>TOTAL</b></td><td><b>710,773,459</b></td></tr> </tbody> </table>	Class of Equity Securities	Number	Fully paid ordinary shares	669,123,459	Unlisted options exercisable at \$0.08 each, expiring 31/7/20	31,250,000	Unlisted options exercisable at \$0.40 each, vesting 5/9/18, expiring 5/9/19	5,175,000	Performance Rights	5,225,000	<b>TOTAL</b>	<b>710,773,459</b>
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Performance Rights	5,225,000												
<b>TOTAL</b>	<b>710,773,459</b>												

The table below shows the number and type of Equity Securities issued by the Company in the 12 months preceding the date of the Meeting, and the percentage they represent of the total number of Equity Securities on issue as at 12 December 2018 (being 710,773,459).

Date of issue	Class of Equity Securities	No. issued	Reason for issue	Recipient of issue	% represented of total number of Equity Securities	Issue price per security	Discount/ premium to market price	Total cash consideration	Indicative current Valuation	Valuation basis	Use / intended use of funds
03/06/19	Shares	205,000	Vesting of Performance Rights	Various employees participating in the LTIP	0.03%	N/A	N/A	N/A	\$6,150	Closing share price of \$0.03 on 5/11/19	None raised
8/11/19	Shares	5,000,000	Vesting of Performance Rights	Gavin Coote (Chairman)	0.70%	N/A	N/A	N/A	\$150,000	Closing share price of \$0.03 on 5/11/19	None raised
8/11/19	Shares	82,551,724	November Placement	November Placement subscribers	11.61%	\$0.029	7% premium to market price on date of issue	\$2,394,000	N/A	N/A	Refer to Resolution 3
<b>TOTAL</b>		<b>87,756,724</b>			<b>12.35%</b>			<b>\$2,394,000</b>			

<b>Terms of Equity Securities issued in preceding 12 months</b>	<p><b>Shares</b></p> <p>All Shares issued by the Company in the 12 months preceding the Meeting have the same terms and rank equally in all respects with existing shares in the Company.</p>
<b>Application of funds raised through issue of Equity Securities</b>	<p>The Company raised a total of \$2,394,000 through the issue of Equity Securities during the 12 months preceding the Meeting under the November Placement. The funds have been and will be applied towards the purposes disclosed in the Company's ASX announcement dated 4 November 2019, and in Resolution 3 above.</p>
<b>Voting Exclusion</b>	<p>A voting exclusion statement applies to this Resolution 12, as set out in the Notice.</p>
<b>Board Recommendation</b>	<p>The Directors unanimously recommend that shareholders vote in favour of this Resolution.</p>
<b>Chairman's available proxies</b>	<p>The Chairman of the Meeting intends to vote all available proxies in favour of this Resolution.</p>



## DEFINITIONS

<b>10% Placement Capacity</b>	Means the Company's capacity to issue shares under ASX Listing Rule 7.1A.
<b>15% Placement Capacity</b>	Means the Company's capacity to issue shares under ASX Listing Rule 7.1.
<b>ASIC</b>	Means the Australian Securities and Investments Commission.
<b>Corporations Act</b>	Means the <i>Corporations Act 2001</i> (Cth).
<b>Company or Hydrix</b>	Means Hydrix Limited ACN 060 369 048.
<b>Closely Related Party</b> (of a member of KMP of an entity)	Has the definition given to it by section 9 of the Corporations Act, and means: <ul style="list-style-type: none"> <li>a) a spouse or child of the member; or</li> <li>b) a child of the member's spouse; or</li> <li>c) a dependant of the member or of the member's spouse; or</li> <li>d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or</li> <li>e) a company the member controls; or</li> <li>f) a person prescribed by the regulations for the purposes of this definition.</li> </ul>
<b>Equity Security</b>	Means: <ul style="list-style-type: none"> <li>a) a share;</li> <li>b) a right to a share or option;</li> <li>c) an option over an issued or unissued security;</li> <li>d) a convertible security;</li> <li>e) any security that ASX decides to classify as an equity security.</li> </ul>
<b>Key Management Personnel or KMP</b>	Means 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.
<b>Long Term Incentive Plan or LTIP</b>	Means the Company's Long Term Incentive Plan the subject of Resolution 7.
<b>Share</b>	Means a fully paid ordinary share in the capital of the Company.

## SCHEDULE 1 – NOTICE OF NOMINATION OF AUDITOR

11 November 2019

Alyn Tai  
Company Secretary  
Hydrix Limited  
30-32 Compark Circuit  
Mulgrave VIC 3170

Dear Ms Tai

### NOTICE OF NOMINATION OF AUDITOR

Bramshott Nominees Pty Ltd <Blythe A/C>, a member of Hydrix Limited ACN 060 369 048 (the **Company**), hereby gives the Company notice under section 328B(1) of the *Corporations Act 2001* (Cth) of its nomination of Grant Thornton Audit Pty Ltd of Collins Square, Tower 5, 727 Collins Street Melbourne, Victoria 3008, for appointment as auditor of the Company at the 2019 Annual General Meeting of the Company or at any adjournment thereof.

Yours faithfully



Justin Lewis  
**Director**  
**Bramshott Nominees Pty Ltd**

## SCHEDULE 2 – TERMS OF WARRANTS

<b>Warrants to be issued</b>	<ul style="list-style-type: none"> <li>▪ An irrevocable option to acquire the Refinance Facility Warrant Shares (<b>Refinance Facility Warrant</b>); and</li> <li>▪ An irrevocable option to acquire the Working Capital Facility Warrant Shares (<b>Working Capital Facility Warrant</b>).</li> </ul> <p>(each a <b>Warrant</b>)</p>
<b>Exercise of Warrants</b>	<p>The holder of a Warrant may exercise the Warrant into the Warrant Shares by delivering an exercise notice to the Company at any time during the Exercise Period, and paying the Exercise Price.</p> <p>If a Warrant is not exercised within the Exercise Period, then the Warrant and all rights of the holder in connection with the Warrant lapse and cease to be of any force or effect from the end of the Exercise Period.</p> <p>The Working Capital Facility Warrant may only be exercised if the Company draws down the Working Capital Facility.</p>
<b>Warrant Shares</b>	<p>“<b>Warrant Shares</b>” means (as the context requires) the Refinance Facility Warrant Shares, the Working Capital Facility Warrant Shares or both, and:</p> <ul style="list-style-type: none"> <li>▪ <b>Refinance Facility Warrant Shares</b> means 80,000,000 Shares (as may be adjusted for bonus issues, pro rata issues, and reorganisations of capital, including the Consolidation).</li> <li>▪ <b>Working Capital Facility Warrant Shares</b> means, subject to the Company’s drawdown of the Working Capital Facility, the number of Shares equal to \$1,000,000 divided by an amount equal to 125% of the 30 day VWAP for the period ending on the date of drawdown of the Working Capital Facility (as may be adjusted for bonus issues, pro rata issues, and reorganisations of capital, including the Consolidation).</li> </ul> <p>The Warrant Shares will, upon their issue, rank equally with all other Shares then on issue in the Company.</p>
<b>Exercise Period</b>	<p>In respect of:</p> <ul style="list-style-type: none"> <li>(a) the Refinance Facility Warrant, the period commencing on the drawdown date of the Refinance Facility (or the date of issue of the Refinance Facility Warrant) and expiring on the date 48 calendar months after that date; and</li> <li>(b) the Working Capital Facility Warrant, the period commencing on the drawdown date of the Working Capital Facility and expiring on the date 48 calendar months after that date.</li> </ul>
<b>Exercise Price</b>	<p>In respect of the Refinance Facility Warrant, the lower of the following per Refinance Facility Warrant Share:</p> <ul style="list-style-type: none"> <li>(a) \$0.05 (as may be adjusted for bonus issues, pro rata issues, and reorganisations of capital, including the Consolidation); and</li> <li>(b) the TERP per Share (defined below) of any new issue of Shares where the total number of Shares on issue as a result of the new issue results in the Company’s total share capital increasing by more than 15% (whether as a result of one issuance or a series of related-issuances) when compared with the Company’s total share capital immediately prior to that new issue of Shares.</li> </ul> <p>Paragraph (b) does not apply to new issues of Shares occurring before 1 July 2020 or made under an exception set out in ASX Listing Rule 7.2.</p>

	<p>In respect of the Working Capital Facility Warrant, the lower of the following per Working Capital Facility Warrant Share:</p> <p>(a) an amount equal to 125% of the 30 day VWAP for the period ending on the date of drawdown of the Working Capital Facility (as may be adjusted for bonus issues, pro rata issues, and reorganisations of capital, including the Consolidation); and</p> <p>(b) the TERP per Share (defined below) of any new issue of Shares where the total number of Shares on issue as a result of the new issue results in the Company's total share capital increasing by more than 15% (whether as a result of one issuance or a series of related-issuances) when compared with the Company's total share capital immediately prior to that new issue of Shares.</p> <p>Paragraph (b) does not apply to new issues of Shares occurring on or after 1 July 2020 or made under an exception set out in ASX Listing Rule 7.2.</p> <p><b>"TERP"</b> means the theoretical ex-rights price calculated in accordance with the following formula:</p> <p><i>(market capitalisation of Company prior to issue + total capital raised from issue) / (number of Shares on issue immediately after issue)</i></p>
<b>Quotation</b>	<p>The Warrants will not be quoted on the ASX.</p> <p>The Company will apply for quotation of the Warrant Shares on the ASX.</p>
<b>Rights of Warrant holder</b>	<p>The Warrants do not confer on their holder:</p> <p>(a) any entitlement to any dividends or other distributions by the Company; or</p> <p>(b) any right to attend or vote at any general meeting of the Company.</p>

### SCHEDULE 3 – TERMS OF NEW CONSTITUTION

A summary of the key terms of the new constitution which the Company proposes to adopt pursuant to the passing of Resolution 10 (**New Constitution**) is set out below. The provisions of the New Constitution outlined below must be read subject to the Corporations Act and the ASX Listing Rules. This summary is not intended to be exhaustive and does not constitute a definitive statement of all the rights, liabilities and obligations set out in the New Constitution.

Issue	Details of New Constitution
<b>Rights and liabilities attaching to shares</b>	<p>The rights attaching to Shares are:</p> <ul style="list-style-type: none"> <li>• Set out in the Constitution; and</li> <li>• In certain circumstances, regulated by the Corporations Act, Listing Rules, ASX Settlement Operating Rules and the general law.</li> </ul> <p>A summary of the significant rights attaching to the Shares and a description of other material provisions of the Constitution are set out below. The summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders.</p>
<b>Voting at a general meeting</b>	At a general meeting of the Company, every Shareholder present in person or by proxy, representative or attorney has one vote on a show of hands and, on a poll, one vote for each Share held.
<b>Meetings of members</b>	Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution, Corporations Act and Listing Rules.
<b>Dividends</b>	The Board may from time to time resolve to pay dividends to Shareholders and fix the amount of the dividend, the time for determining entitlements to the dividend and the timing and method of payment
<b>Transfer of shares</b>	Subject to the Constitution, Shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules, by a written instrument of transfer that complies with the Constitution or by any other method permitted by the Corporations Act, Listing Rules or ASX Settlement Operating Rules. The Board may refuse to register a transfer of Shares where the transfer is not in registrable form, the Company has a lien over any of the Shares transferred, and where otherwise permitted to do so under the Corporations Act, Listing Rules or ASX Settlement Operating Rules. The Board must refuse to register a transfer of Shares when required by the Corporations Act, Listing Rules or ASX Settlement Operating Rules.
<b>Issue of further shares</b>	Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules and any rights and restrictions attached to a class of shares, the Company may issue, or grant options in respect of further Shares on such terms and conditions as the Board resolves.
<b>Winding up</b>	If the Company is wound up, then subject to any rights or restrictions attached to a class of Shares, any surplus must be divided among the Company's members in proportion to the number of Shares held by them. The amount unpaid on Shares held by a member is to be deducted from the amount that would otherwise be distributed to that member.
<b>Unmarketable parcels</b>	Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, the Company may sell the Shares of a Shareholder who holds less than a marketable parcel of Shares.

<b>Share buy backs</b>	Subject to the Corporations Act, Listing Rules and ASX Settlement Operating Rules, the Company may buy back Shares in itself on terms and at times determined by the Board.
<b>Variation of class rights</b>	<p>At present, the Company's only class of shares on issue is ordinary Shares. Subject to the Corporations Act and the terms of issue of a class of shares, the rights attaching to any class of shares may be varied or cancelled:</p> <ul style="list-style-type: none"> <li>• With the consent in writing of the holders of 75% of the issued shares included in that class; or</li> <li>• By a special resolution passed at a separate meeting of the holders of those shares.</li> </ul>
<b>Directors – appointment and removal</b>	Under the Constitution, the minimum number of Directors that may comprise the Board is three. Directors are elected at annual general meetings of the Company. Retirement will occur on a rotational basis so that no Director (excluding any managing director) holds office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. The Directors may also appoint a Director to fill a casual vacancy on the Board up to the minimum number of Directors, until the next annual general meeting of the Company.
<b>Directors – voting</b>	Questions arising at a meeting of the Board will be decided by a majority of votes of the Directors present at the meeting and entitled to vote on the matter. In the case of an equality of votes on a resolution where the number of directors voting is more than two, the chairperson of the meeting does not have a casting vote and the matter is decided in the negative.
<b>Directors – remuneration</b>	The Constitution provides that Non-Executive Directors are entitled to such remuneration as determined by the Board but which must not exceed in aggregate the maximum amount determined by Shareholders at a general meeting.
<b>Restricted Securities</b>	<p>As long as the Company has any restricted securities on issue:</p> <ul style="list-style-type: none"> <li>• a holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;</li> <li>• if the securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the entity's issuer sponsored sub register and are to have a holding lock applied for the duration of the escrow period applicable to those securities;</li> <li>• the entity will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX;</li> <li>• a holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX; and</li> <li>• if a holder of restricted securities breaches a restriction deed or a provision of the entity's constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.</li> </ul>
<b>Variation of the Constitution</b>	The Constitution can only be amended by special resolution passed by at least 75% of Shareholders present (in person or by proxy) and entitled to vote on the resolution at a general meeting of the Company. The Company must give at least 28 days' written notice of a general meeting of the Company members.



## YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded before 2:00pm (Melbourne time) on Tuesday, 10 December 2019.

### TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/hydrixagm2019>

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

### BY SMARTPHONE



Scan QR Code using smartphone  
QR Reader App

### TO VOTE BY COMPLETING THE PROXY FORM

#### STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

##### Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

#### STEP 2 VOTING DIRECTIONS TO YOUR PROXY

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

##### Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

#### STEP 3 SIGN THE FORM

The form must be signed as follows:

Individual: This form is to be signed by the securityholder.

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

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. Please indicate the office held by signing in the appropriate place.

#### STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by 2:00pm (Melbourne time) on Tuesday, 10 December 2019. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

#### Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

### Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

## PROXY FORM

### STEP 1 APPOINT A PROXY

I/We being a member/s of Hydrix Limited (Company) and entitled to attend and vote hereby appoint:

☐

the Chair of the Meeting (mark box)

OR if you are NOT appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at 30-32 Compark Circuit, Mulgrave VIC 3170 on Thursday, 12 December 2019 at 2:00pm (Melbourne time) and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, 7, 8A, 8B and 8C, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 7, 8A, 8B and 8C are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 7, 8A, 8B and 8C). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

### STEP 2 VOTING DIRECTIONS

\* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 1	Adoption of Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 7	Approval of Long Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 2	Re-election of Ms Julie King as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8A	Approval for issue of Performance Rights to Gavin Cooté under LTIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 3	Ratification of issue of November Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8B	Approval for issue of Performance Rights to Mr Paul Wright under LTIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4A	Approval for Director Gavin Cooté to participate in November Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 8C	Approval for issue of Shares to Director in lieu of fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 4B	Approval for Director Paul Wright to participate in November Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 9	Appointment of Grant Thornton Audit Pty Ltd as the Company's Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5A	Approval for issue of Refinance Facility Warrant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 10	Repeal and replacement of Company constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 5B	Approval for issue of Working Capital Facility Warrant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 11	Approval of Share Consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Res 6	Approval for issue of Deferred Consideration Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Res 12	Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019