

**Dotz Nano Limited**  
**ACN 125 264 575**

**Annual General Meeting – Addendum to Notice of Meeting, Explanatory Statement and Proxy Form**

Dear Shareholder,

Dotz Nano Limited (ASX: DTZ) (the **Company**) advise that notice is hereby given that, in relation to the Notice of Annual General Meeting dated 1 May 2023 (**Notice of Meeting**) in respect of the Annual General Meeting of Shareholders of Dotz Nano Limited ACN 125 264 575 to be held at 2:30PM (AEST) on Tuesday, 30 May 2023 as a virtual meeting, the Directors have determined to issue this addendum to the Notice of Meeting (**Addendum**).

The Explanatory Statement to this Addendum to the Notice of Meeting provides additional information on the additional resolution to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Addendum to the Notice of Meeting.

Shareholders should note that there is no change to the date, time and venue of the Meeting. Terms and abbreviations used in this Addendum to the Notice of Meeting have the same meaning as in the Notice of Meeting.

**Replacement Proxy Form**

Annexed to this Addendum to the Notice of Meeting is a replacement Proxy Form. Shareholders who intend to vote by proxy in relation to Resolution 8, in this Addendum to the Notice of Meeting **MUST** use the replacement Proxy Form to vote on ALL Resolutions. In the event that a Shareholder provides a replacement Proxy Form, any Proxy Form dispatched with the original Notice of Meeting which has been completed by the Shareholder will be disregarded.

Dotz Nano respects the rights of shareholders to participate in the AGM and understands the importance of the meeting to shareholders. Shareholders who attend the Meeting will be able to watch, listen, ask questions and participate in all poll votes put to the Meeting. The Notice of Meeting can be downloaded from the link below or will be available on the ASX Market Announcement page (ASX: DTZ): <https://www.asx.com.au/asx/v2/statistics/announcements.do?by=asxCode&asxCode=DTZ&timeframe=Y&year=2023>

In accordance with the *Corporations Act 2001* (Cth) the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has requested a hard copy.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting by shareholders who can vote in accordance with the instructions set out below.

If you wish to virtually attend the AGM, please pre-register in advance for the virtual meeting here: [https://us02web.zoom.us/webinar/register/WN\\_4nek3SAyTfujXvtuMBSiYw](https://us02web.zoom.us/webinar/register/WN_4nek3SAyTfujXvtuMBSiYw)

After registering, you will receive a confirmation containing information on how to attend the virtual meeting on the day of the AGM.

Shareholders may submit questions in advance of the Meeting by email to the Company Secretary at [ian@cfo2grow.com.au](mailto:ian@cfo2grow.com.au). Responses will be provided at the Meeting in respect of all valid questions received prior to 2:30pm (AEST) on 28 May 2023.

A copy of the Notice of Meeting and the Addendum can be viewed and downloaded online at the following link:

<https://www.asx.com.au/asx/v2/statistics/announcements.do?by=asxCode&asxCode=DTZ&timeframe=Y&year=2023>

A copy of your personalised Proxy Form is enclosed for convenience. Proxy votes may also be lodged online by using the link: <https://investor.automic.com.au/#/loginsah>

(Login and click on ‘**Meetings**’. Use the Holder Number shown at the top of your Proxy Form.)



If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Automic Group Pty Ltd on 1300 288 664 (within Australia) or +61 2 9698 5414 (Overseas).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ian Pamensky', with a stylized flourish at the end.

**Ian Pamensky – Company Secretary**  
**19 May 2023**



## **Dotz Nano Limited ACN 125 264 575**

### **Addendum to the Notice of Annual General Meeting and accompanying Explanatory Statement | Proxy Form**

**Date:** Tuesday, 30 May 2023

**Time:** 2:30PM (AEST)

**Place:** Virtual meeting accessible online, pre-register in advance:

[https://us02web.zoom.us/webinar/register/WN\\_4nek3SAyTfuiXvtuMBSIYw](https://us02web.zoom.us/webinar/register/WN_4nek3SAyTfuiXvtuMBSIYw)

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

**Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on 1300-092-602.**



### **Addendum to the Notice of Annual General Meeting**

Notice is hereby given that, in relation to the Notice of Annual General Meeting dated 1 May 2023 (**Notice of Meeting**) in respect of the Annual General Meeting of Shareholders of Dotz Nano Limited ACN 125 264 575 to be held at 2:30PM (AEST) on Tuesday, 30 May 2023 as a virtual meeting, the Directors have determined to issue this addendum to the Notice of Meeting (**Addendum**).

By this Addendum to the Notice of Meeting, Resolution 8 and Annexures D and E are added to the Notice of Meeting as detailed below.

The Explanatory Statement to this Addendum to the Notice of Meeting provides additional information on the additional resolution to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form forms part of this Addendum to the Notice of Meeting.

Shareholders should note that there is no change to the date, time and venue of the Meeting. Terms and abbreviations used in this Addendum to the Notice of Meeting have the same meaning as in the Notice of Meeting.

### **Replacement Proxy Form**

Annexed to this Addendum to the Notice of Meeting is a replacement Proxy Form. Shareholders who intend to vote by proxy in relation to Resolution 8, in this Addendum to the Notice of Meeting **MUST** use the replacement Proxy Form to vote on **ALL** Resolutions. In the event that a Shareholder provides a replacement Proxy Form, any Proxy Form dispatched with the original Notice of Meeting which has been completed by the Shareholder will be disregarded.

The Company reserves the right to accept Proxy Forms dispatched with the original Notice of Meeting received from Shareholders in the event that a new Proxy Form is not provided by the relevant Shareholder.



## Additional Resolution

Resolution 8 is included in the Notice of Meeting as follows:

### Issue of Equity Securities

#### 8. Resolution 8 – Approval of Issue of Shares and Options in Connection with the Proposed Transaction

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

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 14,400,000 fully paid ordinary shares (**Consideration Shares**), 8,000,000 unlisted options (**Consideration Options**), up to 25,600,000 fully paid ordinary shares (**Contingent Consideration Shares**) and up to 25,000,000 unlisted options (**Contingent Consideration Options**) to H2 Blue (or its nominee) as part of the consideration for the Proposed Transaction, and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”*

**Voting Exclusion Statement:** The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of:

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

However, this does not apply to a vote cast in favour of Resolution 8 by:

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

## BY ORDER OF THE BOARD

Ian Pamensky  
Company Secretary



## **Explanatory Statement**

The Explanatory Statement in the Notice of Meeting is supplemented with the following information in relation to Resolution 8 as follows:

### **Issue of Equity Securities**

#### **Resolution 8 - Approval of Issue of Shares and Options in Connection with the Proposed Transaction**

##### **Background to acquisition consideration, the subject of Resolution 8**

On 19 May 2023, the Company and its subsidiary Dotz Nano Ltd. (Company Number 51-5063790) (**Dotz Nano**), a private company incorporated under the laws of Israel, announced that they have entered into a binding but conditional agreement (**Asset Purchase Agreement**) to acquire certain assets related to a carbon-based sorbent/filter with nanosized pores that can be utilised for capture and storage of gases (**Assets**) developed and owned by H2 Blue Tech Ltd. (Company Number 516028529) (**H2 Blue**), a company incorporated under the laws of the State of Israel (**Proposed Transaction**). Further details regarding the strategic rationale for the proposed acquisition of the assets by the Company are set out in the announcement and accompanying presentation dated 19 May 2023.

The consideration payable under the Asset Purchase Agreement to H2 Blue, subject to Shareholder approval for the acquisition of the Assets from H2 Blue comprises of the following:

- (a) on completion of the Proposed Transaction (**Completion**):
  - (i) 14,400,000 Consideration Shares with 8,400,000 Shares being subject to voluntary escrow for a period of 24 months following Completion;
  - (ii) 8,000,000 Consideration Options with an exercise price of A\$0.80 expiring 3 years from the date of issue;
  - (iii) US\$880,000 in cash consideration;
- (b) the following contingent consideration:
  - (i) 7,500,000 Shares and 8,000,000 Options with an exercise price of A\$0.85 expiring 3 years from the date of issue contingent on the satisfaction of Milestone A, being that on or before the date that is the third anniversary of the day on which Completion occurred, the Company establishing economically viable scale-up production of a carbon dioxide sorbent that:
    - (A) is derived from recycled plastic: and
    - (B) meets pre-defined sorbent performance parameters and processes, achievement of the foregoing, "**Milestone A**", (please refer to Annexure E for the technical details of Milestone A)\*;
  - (ii) 7,500,000 Shares, 8,000,000 Options with an exercise price of A\$0.90 expiring 3 years from the date of issue and US\$550,000 cash consideration contingent on the satisfaction of Milestone B, being that on or before the date that is the third anniversary of the day on which the Completion occurred, the Company designing a lab scale pilot system with a capacity of capturing at least 1 tonne per day of carbon dioxide from a 12-15% carbon dioxide flue gas, capturing at an efficiency rate of 90%, achievement of the foregoing, "**Milestone B**" (please refer to Annexure E for the technical details of Milestone B)\*\*;
  - (iii) 7,900,000 Shares, 9,000,000 Options with an exercise price of A\$0.95 expiring 3 years from the date of issue and US\$550,000 cash contingent on the satisfaction of Milestone C, being that on or before the date that is the third anniversary of the day on which the Completion occurred and the earlier of the Company obtaining:



- (A) a non-diluting and non-refundable grant funding of at least US\$5 million for the CO2 captured activity; or
- (B) signing an agreement for a partnership with at least US\$3 million investment in the CO2 captured activity with a major strategic partner, with the Options being issued on a linear, pro rata, basis for an investment between US\$3 million and US\$5 million, with 100% of the Options being granted for an investment of US\$5 million or more,

achievement of the foregoing, “**Milestone C**”;

- (iv) 2,700,000 Shares and US\$400,000 cash consideration contingent on the satisfaction of Milestone D, being the successful recruitment of a clean technology leadership team and special matter experts “**Milestone D**”,

the Shares, Options and cash the subject of (b)(i) – (iv) above the ‘**Contingent Consideration Shares**’ and ‘**Contingent Consideration Options**’ (as applicable), and together the ‘**Contingent Consideration**’.

**\*Note:** Milestone A will be satisfied when the production of that sorbent is measurable in kilograms rather than milligrams or grams and also meets other criteria regarding pricing, efficiency, capacity and technical performance as set out in Annexure E.

**\*\*Note:** Milestone B is the next step in the carbon dioxide capture process and will be satisfied if a lab scale system is created under which the carbon dioxide sorbent that is created with H2 Blue technology is actually used to capture carbon dioxide in lab tests. This is tested by putting a filter of the sorbent into a carbon dioxide heavy air stream (e.g. emissions from a smoke stack with a 12 – 15% CO2 content) and the sorbent capturing at least 1 tonne per day at an efficiency rate of 90%. The reference to “1 tonne per day” is a reference to an amount of carbon captured. The reference to the “efficiency rate” is a reference to the ability of the sorbent to “self clean”, that is, once the initial 1 tonne of carbon dioxide is captured the sorbent remains usable at 90% efficiency. Please refer to Annexure E for the technical details of Milestone B.

The Milestones are directly related to the technology being acquired by the Company from H2 Blue. The H2 Blue technology is currently producing a sorbent from recycled plastic that is capable of capturing carbon dioxide from the air however, the technology is currently producing only small amounts of this solvent (measurable in milligrams). The Milestones relate to the viability of the carbon sorbent product, which as noted above, is currently being produced in tiny quantities but will be produced in amounts to be able to have significant commercial application if the Milestones are met.

Each of the Milestones associated with the Contingent Consideration can be satisfied at any time within 3 years of Completion and in any order. There is no scaling of any payment to be made under in connection with the satisfaction of Milestones A, B, C or D, and if the relevant Milestone is not achieved the payment (if any) in respect of the relevant Milestone will be \$0 and the Contingent Consideration Shares and/or Contingent Consideration Options will not be issued.

The Contingent Consideration Shares will be subject to voluntary escrow being the later of the date that is 24 months after Completion and 6 months after satisfaction of the relevant Milestone.

The table below shows the potential dilution of existing Shareholders on the basis that the Consideration Shares, Consideration Options, Contingent Consideration Shares and Contingent Consideration Options are issued:



<b>Class of Security</b>	<b>Number of Securities</b>	<b>% of fully diluted issued capital</b>
Shares	461,378,964	81.49%
Consideration Shares	14,400,000	2.54%
Contingent Consideration Shares	25,600,000	4.54%
<b>Total number of Shares on issue</b>	<b>501,378,964</b>	<b>88.86%</b>
Unlisted Options	29,826,144	5.29%
Consideration Options	8,000,000	1.42%
Contingent Consideration Options	25,000,000	4.43%
<b>Total number of unlisted Options on issue</b>	<b>62,826,144</b>	<b>11.14%</b>
<b>Fully diluted issued capital</b>	<b>564,205,108</b>	<b>100.00%</b>

**Notes:**

- (a) Based on the total number of Shares and Options on issue as at 19 April 2023.
- (b) This table assume that no Securities are issued prior to Completion.
- (c) This table assumes that no options over Shares are exercised before the date of the issue of the equity securities.

**Waiver from the requirements of ASX Listing Rule 7.3.4**

Listing Rule 7.3.4 requires a notice of meeting with a resolution to approve the issue of equity securities to state that the securities will be issued within three months of the date of the shareholders' meeting. The Company has obtained a waiver from the ASX to the extent necessary to permit the Company to not state in this Notice that the Contingent Consideration Shares in relation to Milestone A, Milestone B and Milestone C will be issued within three months of the date of the Meeting, subject the following conditions:

- (a) the Contingent Consideration Shares relating to Milestone A, Milestone B and Milestone C will be issued as soon as possible following Completion of the Proposed Transaction and the relevant Milestone being satisfied and, in any event, by no later than the following:
  - (i) in respect of the 7,500,000 Contingent Consideration Shares relating to Milestone A: 3 years from Completion of the Proposed Transaction;
  - (ii) in respect of the 7,500,000 Contingent Consideration Shares relating to Milestone B: 3 years from Completion of the Proposed Transaction; and
  - (iii) in respect of the 7,900,000 Contingent Consideration Shares relating to Milestone C: 3 years from Completion of the Proposed Transaction;
- (b) the terms of the Contingent Consideration Shares must not be varied;
- (c) the maximum number of Contingent Consideration Shares to be issued is capped at 22,900,000;
- (d) adequate details regarding the dilutionary effect of the Contingent Consideration Shares on the Company's capital structure and adequate details regarding the Milestones relating to the Contingent Consideration Shares is included in this Notice of Meeting;
- (e) for any annual reporting period during which any of the Contingent Consideration Shares have been issued or any of them remain to be issued, the Company's annual report sets out the number of Contingent Consideration Shares issued in that annual reporting period, the number of Contingent Consideration Shares that remain to be issued and the basis on which the Contingent Consideration Shares may be issued;
- (f) in any half year report for a period during which any of the Contingent Consideration Shares have been issued or remain to be issued, the Company must include a summary statement of



the number of Contingent Consideration Shares issued during the reporting period, the number of Contingent Consideration Shares that remain to be issued and the basis on which the Contingent Consideration Shares may be issued; and

- (g) this Notice of Meeting contains the material terms and conditions of the Asset Purchase Agreement as well as the conditions of this waiver.

A waiver was not obtained in relation to the issue of the 2,700,000 Contingent Consideration Shares relating to Milestone D. Therefore, should shareholder approval for the Milestone D Contingent Consideration Shares be obtained but not issued within 3 months of the date of the Meeting because Milestone D is not met within that time frame (or for any other reason) then those securities will come out of the Company's Listing Rule 7.1 placement capacity.

The effect of Resolution 8 is for Shareholders to approve the issue of the 14,400,000 Consideration Shares, 25,600,000 Contingent Consideration Shares, 8,000,000 Consideration Options and 25,000,000 Contingent Consideration Options (**Transaction Securities**) to fall within an exception to ASX Listing Rule 7.1, which will allow the Company to issue these securities without using the Company's 15% capacity under Listing Rule 7.1.

### **ASX Listing Rule 7.1**

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

An issue of equity securities that is approved by the Company's Shareholders under Listing Rule 7.1 will not use up the Company's 15% limit and therefore does not reduce the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1.

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

To this end Resolution 8 seeks Shareholder approval to approve the issue of the Transaction Securities.

If Resolution 8 is passed, the issue of Transaction Securities will be excluded in calculating the Company's 15% limit in Listing Rule 7.1.

If Resolution 8 is not passed, the issue of the Transaction Securities will not proceed as the Proposed Transaction will be unable to complete.

### **Information Required by Listing Rule 7.3**

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) The allottee is H2 Blue or its nominee.
- (b) The maximum number of Securities to be issued is as follows:
  - (iv) 14,400,000 Consideration Shares;
  - (v) up to 25,600,000 Contingent Consideration Shares;
  - (vi) 8,000,000 Consideration Options; and
  - (vii) up to 25,000,000 Contingent Consideration Options.
- (c) The Shares will be fully paid on issue and rank equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The full terms of the Options are set out in Annexure D of this Notice of Meeting.
- (e) The Consideration Shares, Consideration Options, 2,700,000 Contingent Consideration Shares relating to Milestone D and Contingent Consideration Options will be issued within 3 months of Shareholder approval being obtained by the Company (or otherwise, as determined by the



ASX in the exercise of their discretion). The issue of these Securities remains subject to the Proposed Transaction proceeding to Completion. If the Securities are not issued within 3 months of Shareholder approval being obtained, (or for any other reason) then those securities will come out of the Company's Listing Rule 7.1 placement capacity.

- (f) ASX has granted the Company a waiver from Listing Rule 7.3.4 to the effect that the Company may issue a maximum of 22,900,000 Contingent Consideration Shares relating to Milestone A, Milestone B and Milestone C no later than 3 years from Completion of the Proposed Transaction.
- (g) The Transaction Securities will be offered for nil cash consideration.
- (h) Funds will not be raised from the issue of these Transaction Securities as the issue is proposed to be made for part of the consideration payable to the H2 Blue for the acquisition of the Assets.
- (i) The Transaction Securities were issued under an agreement between the Company, Dotz Nano and H2 Blue. The material terms of the agreement are set out in Annexure E of this Notice.

#### **Directors' Recommendation**

The Board of Directors recommend Shareholders vote for this Resolution.

The Chair of the Meeting intends to cast all undirected proxies in favour of this Resolution.

7

#### **Enquiries**

Shareholders are asked to contact the Company Secretary by telephone on 1300-092-602 or via email at [ian@cfo2grow.com.au](mailto:ian@cfo2grow.com.au) if they have any queries on respect of the matters set out in these documents.



## Annexure D – Terms of Proposed Transaction Options

<b>Issue Price:</b>	No amount is payable on the issue of an option.
<b>Exercise Price:</b>	Each Option is exercisable for: <b>Tranche 1 Options:</b> A\$0.80 <b>Tranche 2 Options:</b> A\$0.85 <b>Tranche 3 Options:</b> A\$0.90 <b>Tranche 4 Options:</b> A\$0.95
<b>Number of Options:</b>	<b>Tranche 1 Options:</b> 8,000,000 <b>Tranche 2 Options:</b> 8,000,000 <b>Tranche 3 Options:</b> 8,000,000 <b>Tranche 4 Options:</b> 9,000,000
<b>Milestone:</b>	<p>The Options will vest if each of the following conditions are satisfied (each a <b>Milestone</b>):</p> <p><b>Tranche 1 Options:</b> on Closing.</p> <p><b>Tranche 2 Options:</b> On or before the date that is the third anniversary of the day on which the Closing occurred, the Company establishing economically viable scale-up production of Carbon Sorbent from Recycled Plastic with the following parameters:</p> <ul style="list-style-type: none"> <li>• Input material: Plastic portion to be at least 50% recycled Plastic</li> <li>• Daily manufacturing quantity: minimum of 5 kg per day of sorbent (neat or doped)</li> <li>• Process efficiency: at least 10 kg carbon sorbent per 100 kg of plastic, as per SINTEF report (for neat sorbent) and 6.5 kg sorbent per 100 kg of plastic (for doped sorbent)</li> <li>• Three or more manufacturing batches with similar process efficiency and sorbent performance</li> <li>• Price *: Competitive with the industry in terms of cost per ton of sorbent but not to exceed 30,000 USD per tonne (neat sorbent) or 50,000 USD per tonne (doped sorbent), including the installed capital cost of the sorbent manufacturing facility, the raw materials costs, and the operating and maintenance costs of the manufacturing facility</li> <li>• Sorbent performance (to be validated by an external party e.g. SINTEF): <ul style="list-style-type: none"> <li>○ CO2 capacity of the sorbent at 25 °C: 15wt% at 1 bar and 4wt % at 0.15 bar</li> <li>○ Regeneration temperature of 110 °C at 0.1 atm (neat sorbent) and 120 °C at 0.1 atm (doped sorbent)</li> <li>○ CO2 sorbent capacity reduction less than 10% after 100 Regeneration cycles.</li> </ul> </li> </ul> <p>(achievement of the foregoing, “<b>Milestone A</b>”).</p> <p><b>Tranche 3 Options:</b> On or before the date that is the third anniversary of the day on which the Closing occurred, the Company designing, installing, and testing a CO2 capture system for capturing 1 tpd of CO2 in a 12-15% CO2 flue gas capturing 90 percent of the CO2, competitive with the industry in terms of cost per ton of CO2 captured. This lab scale pilot is not to exceed 3 million USD in CAPEX costs. The competitiveness of the cost of capture will be determined by an</p>



	<p>independent industry expert, who will consider the capture cost of competing technologies, but also the value of carbon credits on the various carbon markets (achievement of the foregoing, “<b>Milestone B</b>”).</p> <p><b>Tranche 4 Options:</b> On or before the date that is the third anniversary of the day on which the Closing occurred and the earlier of the Company obtaining:</p> <ul style="list-style-type: none"> <li>i. a non-diluting and non-refundable grant funding of at least US\$5 million for the CO2 captured activity; or</li> <li>ii. signing an agreement for a partnership with at least US\$3 million investment in the CO2 captured activity with a major strategic partner, with the Options being issued on a linear, pro rata, basis for an investment between US\$3 million and US\$5 million, with 100% of the Options being granted for an investment of US\$5 million or more</li> </ul> <p>(achievement of the foregoing, “<b>Milestone C</b>”).</p>
<b>Expiry Date:</b>	The Options will expire at 5:00pm (Sydney, Australia time) on the third anniversary of the day on which they were issued. Any unexercised Options on issue at the Expiry Date will automatically lapse on the Expiry Date.
<b>Entitlement:</b>	Subject to the Milestone being satisfied, each one Option is exercisable into one fully paid ordinary share in the capital of the Parent (each, a “ <b>Share</b> ”). Shares issued on exercise of the Options will rank equally in all respects with the other issued Shares.
<b>Notice of Exercise:</b>	<p>The Options may be exercised in whole or in part prior to the Expiry Date by notice in writing to the Company and accompanied by payment of the Exercise Price for each Option being exercised (such notice, an “<b>Exercise Notice</b>”).</p> <p>An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds (such date, the “<b>Exercise Date</b>”).</p>
<b>Unlisted options:</b>	The Company will not apply for quotation of the Options.
<b>Timing of issue of Shares:</b>	<p>As soon as practicable after the relevant Exercise Date when the Company is in a position to issue a cleansing notice under s 708A(5)(e) of the Corporations Act or a cleansing prospectus under s 708A(11) of the Corporations Act, as the case may be, the Company must:</p> <ul style="list-style-type: none"> <li>i. allot and issue the Shares; and</li> <li>ii. do all such acts matters and things to obtain the grant of quotation for the Share on ASX.</li> </ul>
<b>Quotation of Shares on exercise:</b>	Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.
<b>Participation in new issues:</b>	There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.
<b>Adjustment for bonus issues of Shares:</b>	In the event the Company proceeds with a bonus issue of Shares to Shareholders after the issue of the Options, the number of Shares over which an Option is exercisable may be increased in the manner permitted by the ASX Listing Rules applying at the time of the bonus issue.



<b>Adjustment of Exercise Price:</b>	If there is a pro rata issue of Shares (other than a bonus issue of Shares) to Shareholders, after the issue of the Options and before the date the relevant Options must be exercised or lapse, the Exercise Price of the relevant Options will be adjusted in accordance with the formula outlined in the ASX Listing Rules.
<b>Adjustment for reorganisation:</b>	If there is any reconstruction of the issued share capital of the Company, the rights of the holder may be varied in a manner consistent with the Corporations Act and to comply with the ASX Listing Rules which apply at the time of the reconstruction.
<b>Options not transferable:</b>	The Options are not transferable without the prior written consent of the Board.
<b>Voting:</b>	The Option holder is not entitled to notice of, or to vote at or attend, a meeting of the Shareholders unless and until the Options are exercised and the holder holds Shares.
<b>Dividends:</b>	The Options do not carry rights to dividends.



## Annexure E - Key Terms of the Asset Purchase Agreement

The key terms of the Asset Purchase Agreement (**Agreement**) is as follows:

**Parties:** The parties to the Agreement are the Company, Dotz Nano and H2 Blue (**Parties**).

**Consideration:** the consideration payable under the Agreement is as follows:

- (a) on completion of the Proposed Transaction:
  - (i) 14,400,000 Shares with 8,400,000 Shares being subject to 24 months voluntary escrow from completion;
  - (ii) 8,000,000 Options with an exercise price of A\$0.80 expiring 3 years from the date of issue;
  - (iii) US\$880,000 in cash consideration;
- (b) the following contingent consideration:
  - (i) 7,500,000 Shares and 8,000,000 Options with an exercise price of A\$0.85 expiring 3 years from the date of issue contingent on the satisfaction of Milestone A, being that on or before the date that is the third anniversary of the day on which Completion occurred, the Company establishing economically viable scale-up production of Carbon Sorbent from Recycled Plastic with the following parameters:
    - (C) Input material: Plastic portion to be at least 50% recycled Plastic;
    - (D) Daily manufacturing quantity: minimum of 5 kg per day of sorbent (neat or doped);
    - (E) Process efficiency: at least 10 kg carbon sorbent per 100 kg of plastic, as per SINTEF report (for neat sorbent) and 6.5 kg sorbent per 100 kg of plastic (for doped sorbent);
    - (F) Three or more manufacturing batches with similar process efficiency and sorbent performance;
    - (G) Price: Competitive with the industry in terms of cost per ton of sorbent but not to exceed 30,000 USD per tonne (neat sorbent) or 50,000 USD per tonne (doped sorbent), including the installed capital cost of the sorbent manufacturing facility, the raw materials costs, and the operating and maintenance costs of the manufacturing facility;
    - (H) Sorbent performance (to be validated by an external party e.g. SINTEF);
    - (I) CO<sub>2</sub> capacity of the sorbent at 25 °C: 15wt% at 1 bar and 4wt % at 0.15 bar;
    - (J) Regeneration temperature of 110 °C at 0.1 atm (neat sorbent) and 120 °C at 0.1 atm (doped sorbent); and
    - (K) CO<sub>2</sub> sorbent capacity reduction less than 10% after 100 Regeneration cycles, achievement of the foregoing, "**Milestone A**";
  - (ii) 7,500,000 Shares, 8,000,000 Options with an exercise price of A\$0.90 expiring 3 years from the date of issue and US\$550,000 cash consideration contingent on the satisfaction of Milestone B, being that on or before the date that is the third anniversary of the day on which the Completion occurred, the Company designing, installing, and testing a CO<sub>2</sub> capture system for capturing 1 tpd of CO<sub>2</sub> in a 12-15% CO<sub>2</sub> flue gas capturing 90 percent of the CO<sub>2</sub>, competitive with the industry in terms of cost per ton of CO<sub>2</sub> captured. This lab scale pilot is not to exceed 3 million USD in CAPEX costs. The competitiveness of the cost of capture will be determined by an independent industry expert, who will consider the capture cost of competing technologies, but also the value of carbon credits on the various carbon markets (achievement of the foregoing, "**Milestone B**");



(iii) 7,900,000 Shares, 9,000,000 Options with an exercise price of A\$0.95 expiring 3 years from the date of issue and US\$550,000 cash contingent on the satisfaction of Milestone C, being that on or before the date that is the third anniversary of the day on which the which Completion occurred and the earlier of the Company obtaining:

- (L) a non-diluting and non-refundable grant funding of at least US\$5 million for the CO2 captured activity; or
- (M) signing an agreement for a partnership with at least US\$3 million investment in the CO2 captured activity with a major strategic partner, with the Options being issued on a linear, pro rata, basis for an investment between US\$3 million and US\$5 million, with 100% of the Options being granted for an investment of US\$5 million or more,

achievement of the foregoing, “**Milestone C**”;

(iv) 2,700,000 Shares; and US\$400,000 cash consideration contingent on the satisfaction of Milestone D, being the successful recruitment of a clean technology leadership team and special matter experts “**Milestone D**”.

The Contingent Consideration Shares will be subject to voluntary escrow being the later of the date that is 24 months after completion of the Proposed Transaction and 6 months after satisfaction of the relevant Milestone.

**Conditions Precedent:** Completion of the Agreement is subject to satisfaction of the following conditions precedent:

- (a) no material adverse effect has occurred prior to completion in respect of the Assets;
  - (b) the Company completing an equity capital raising;
  - (c) the Company receiving the approval of its shareholders for the issue of the consideration securities;
  - (d) the Parties respective representations and warranties set out in the Agreement remaining true and correct at completion; and
  - (e) the Parties delivering all documents as required under the Agreement,
- (together, the **Condition’s Precedent**)

**Completion:** The Parties have agreed that completion of the purchase in accordance with the terms of the Agreement (**Completion**).

**Warranties:** The Agreement includes customary warranties given by the Parties for a transaction of this type.

**Termination:** The Agreement may be terminated at any time prior to the Completion:

- (a) by mutual written consent of the Parties;
- (b) by each of the Parties on 10 days’ written notice in the event any of the Conditions Precedent are not satisfied by the date that is 90 days following the date of the Agreement.



# Proxy Voting Form

If you are attending the virtual Meeting  
please retain this Proxy Voting Form  
for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **2.30pm (AEST) on Sunday, 28 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

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

### YOUR NAME AND ADDRESS

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

### STEP 1 – APPOINT A PROXY

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

### DEFAULT TO THE CHAIR OF THE MEETING

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

### STEP 2 - VOTES ON ITEMS OF BUSINESS

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

### APPOINTMENT OF SECOND PROXY

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

### SIGNING INSTRUCTIONS

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

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

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

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

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

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

### CORPORATE REPRESENTATIVES

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

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at  
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

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



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

**All enquiries to Automic:**

**WEBSITE:** <https://automicgroup.com.au/>

**PHONE:** 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)



