



Titomic Limited

ACN: 602 793 644

Notice of Annual General Meeting and Explanatory Memorandum

Date of Meeting: Thursday, 23 November 2023

Time of Meeting: 11.00am (AEDT) (with registration from 10.30am (AEDT))

Place of Meeting: 365 Ferntree Gully Road, Mount Waverley, Victoria 3149

The Notice of Meeting is also available on the Company's website at www.titomic.com.

***This is an important document. It should be read in its entirety.
If you are in doubt as to the course you should follow, consult your financial or other professional adviser***

Notice is hereby given that the 2023 Annual General Meeting of Shareholders of the Company will be held on Thursday, 23 November 2023 commencing at 11.00am (AEDT) at 365 Ferntree Gully Road, Mount Waverley, Victoria 3149.

The Meeting will be held as a physical meeting with Shareholders able to attend in person only.

The Board encourages shareholders to monitor the ASX and the Company's website for any updates in relation to the Annual General Meeting that may need to be provided. In the meantime, the Board encourages shareholders to submit their proxies as early as possible, even if they intend to attend the Meeting.

Dear Shareholder,

Titomic Limited (the **Company**) has convened the Annual General Meeting (**AGM**) of Shareholders to be held on Thursday, 23 November 2023 and we invite you to attend.

The meeting will be held at 365 Ferntree Gully Road, Mount Waverley, Victoria 3149 to commence at 11.00am (AEDT) with registration open from 10.30am (AEDT) to consider, in summary, the following items of business:

1. 2023 Annual Financial Statements;
2. Resolution 1 - Adoption of 2023 Remuneration Report;
3. Resolution 2 - Re-election of Mr Humphrey Nolan;
4. Resolution 3 - Re-election of Mr Dag W.R. Stromme;
5. Resolution 4 - Ratification of prior issue of Placement Shares to investors;
6. Resolution 5 - Approval of issue of Placement Shares to Mr Dag W.R. Stromme;
7. Resolution 6 - Approval of issue of share rights and Options to the Directors of the Company;
8. Resolution 7 - Approval of issue of Shares to Mr Herbert Koeck; and
9. Resolution 8 - Approval of additional capacity to issue securities under ASX Listing Rule 7.1A.

Attached to this letter is a Notice of the AGM and an Explanatory Memorandum setting out details on each of the resolutions to be proposed at the meeting.

If you are unable to attend the Meeting, we encourage you to vote using the Proxy Form, which is also enclosed.

We look forward to meeting those Shareholders who can attend the AGM.

Thank you for your continued support.

Yours faithfully

Chris Healy
Company Secretary
Titomic Limited

Dated: 20 October 2023

TITOMIC LIMITED

ACN: 602 793 644

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2023 Annual General Meeting of Titomic Limited ACN 602 793 644 will be held at 11.00am (AEDT) on Thursday, 23 November 2023 as a physical meeting only at 365 Ferntree Gully Road, Mount Waverley, Victoria 3149.

The attached Explanatory Memorandum is provided to supply Shareholders with information to allow them to make an informed decision regarding the Resolutions set out in this Notice of Meeting. The Explanatory Memorandum is to be read in conjunction with this Notice.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

1. Agenda - Ordinary Business

2023 Annual Financial Statements

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2023 together with the Remuneration Report, Director's Declaration and the reports of the Directors and company Auditor.

While no resolution is required in relation to this item, Shareholders will be given reasonable opportunity to ask questions and make comments on the Company's Annual Financial Report.

A representative of the Company's Auditor, BDO, will be present at the Meeting and Shareholders will have an opportunity to ask the Auditor's representative questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies, and the independence of the Auditor.

The Titomic Limited 2023 Annual Report can be viewed online at the Company's website <http://www.titomic.com> on the "Investor Centre" page under "Latest financial results & presentations".

Resolution 1 Adoption of 2023 Remuneration Report

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

"That the Company adopt the Remuneration Report for the year ended 30 June 2023 in accordance with section 250R(2) of the Corporations Act."

Voting Exclusion Statement:

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of either a member of the Key Management Personnel or a Closely Related Party of those members (each a **KMP**). However, the KMP may cast a vote on Resolution 1 as a proxy if the vote is not cast on behalf of a KMP and either:

- (a) the KMP is appointed as a proxy in writing that specifies the way the proxy is to vote on the resolution; or
- (b) the voter is the chair of the meeting and the appointment of the chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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

Further details in respect of Resolution 1 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 2 Re-election of Mr Humphrey Nolan

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

"That, for the purposes of ASX Listing Rule 14.4, clause 20.3 of the Constitution and for all other purposes, Mr Humphrey Nolan, retires by rotation and being eligible to be re-elected, be re-elected as a Non-Executive Director of the Company."

Further details in respect of Resolution 2 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 3 Re-election of Mr Dag W.R. Stromme

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

"That, for the purposes of ASX Listing Rule 14.4, clause 20.3 of the Constitution and for all other purposes, Mr Dag W.R. Stromme, retires by rotation and being eligible to be re-elected, be re-elected as a Non-Executive Director of the Company."

Further details in respect of Resolution 3 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 4 Ratification of prior issue of Placement Shares to investors

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

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 75,000,000 Placement Shares to investors on 3 July 2023, on the terms and conditions described in the Explanatory Memorandum."

Voting Exclusion Statement:

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 Placement Shares; and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

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

Further details in respect of Resolution 4 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 5 Approval of issue of Placement Shares to Mr Dag W.R. Stromme

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

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 25,000,000 Placement Shares to Director, Mr Dag W.R. Stromme, on the terms and conditions described in the Explanatory Memorandum."

Voting Exclusion Statement:

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

- Mr Dag W.R. Stromme and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of Shares); and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

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

Further details in respect of Resolution 5 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 6 Approval of issue of share rights and Options to the Directors of the Company

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 120,000,000 share rights and 142,500,000 Options to the Directors of the Company, on the terms and conditions described in the Explanatory Memorandum.”

Voting Exclusion Statement:

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

- each Director and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of Shares); and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

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

Further details in respect of Resolution 6 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 7 Approval of issue of Shares to Mr Herbert Koeck

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

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 20,000,000 Shares to Director, Mr Herbert Koeck, on the terms and conditions described in the Explanatory Memorandum.”

Voting Exclusion Statement:

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

- Mr Herbert Koeck and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of Shares); and
- any associates of those persons.

However, the Company need not disregard a vote if it is cast by:

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

Further details in respect of Resolution 7 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

Resolution 8 Approval of additional capacity to issue securities under ASX Listing Rule 7.1A

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

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve an additional capacity of the Company to issue equity securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Memorandum."

Further details in respect of Resolution 8 are set out in the Explanatory Memorandum accompanying this Notice of Annual General Meeting.

2. Proxy Instructions

A Shareholder entitled to attend this Meeting and vote, is entitled to appoint a proxy to attend and vote on behalf of that Shareholder at the Meeting.

- (a) A proxy need not be a Shareholder.
- (b) If the Shareholder is entitled to cast two or more votes at the Meeting, the Shareholder may appoint two proxies and may specify the proportion or number of the votes which each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes held by that Shareholder.
- (c) If the Shareholder appoints only one proxy, that proxy is entitled to vote. Voting will take place by proxy and not a show of hands.
- (d) Where two proxies are appointed, any fractions of votes resulting from the appointment of two proxies will be disregarded.
- (e) A Proxy Form accompanies this Notice.
- (f) Unless the Shareholder specifically directs the proxy how to vote, the proxy may vote as he or she thinks fit, or abstain from voting.
- (g) If a Shareholder wishes to appoint a proxy, the Shareholder should complete the Proxy Form and comply with the instructions set out in that form relating to lodgement of the form with the Company.
- (h) The Proxy Form must be signed by the Shareholder or his or her attorney duly authorised in writing or, if the Shareholder is a corporation, either signed by an authorised officer or attorney of the corporation or otherwise signed in accordance with the Corporations Act.
- (i) If any attorney or authorised officer signs the Proxy Form on behalf of a Shareholder, the relevant power of attorney or other authority under which it is signed or a certified copy of that power or authority must be deposited with the Proxy Form.

The Proxy Form (together with any relevant authority) must be received by no later than 11.00am (AEDT) on Tuesday, 21 November 2023, **48 hours** before the time scheduled for the commencement of the meeting (or any adjournment of that meeting).

- (j) The completed Proxy Form may be lodged as follows:
 - **Online:** www.investorvote.com.au
 - **By fax:** 1800 783 447 within Australia or +61 3 9473 2555 outside Australia
 - **By mail:** Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001
- (k) The Chairman of the meeting intends to vote all available proxies in favour of all Resolutions.

3. Undirected Proxies

The Chairman of the meeting will vote undirected proxies on, and in favour of, proposed Resolutions 2 to 8.

4. Corporate Representatives

Corporate representatives are requested to provide appropriate evidence of appointment as a representative in accordance with the constitution of the Company prior to the Meeting. Attorneys are requested to provide the original or a certified copy of the power of attorney pursuant to which they were appointed to the Share Registry prior to the start of Meeting. Proof of identity may also be required for corporate representatives and attorneys.

5. Determination of voting entitlement

For the purpose of section 1074E(2)(g)(i) of the Corporations Act and Regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth), the Board has determined that the persons eligible to vote at the Meeting are those who are registered Shareholders at 7.00pm (AEDT) on Tuesday, 21 November 2023.

6. Votes

Every resolution will be conducted by poll.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each Share held.

7. Questions and Comments by Shareholders at the Meeting

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, in relation to the conduct of the external audit for the year ended 30 June 2023, or the content of its audit report. Please send your questions via email to:

Chris Healy

Company Secretary
Titomic Limited
chris.healy@titomic.com

Written questions for the Company Auditor must be received by no later than 11.00am (AEDT) on Tuesday, 21 November 2023. 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 2023.

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.

A representative of BDO will be available to provide answers to questions at the Meeting.

For and on behalf of the Board of Directors,

Chris Healy

Company Secretary

Dated: 20 October 2023

TITOMIC LIMITED

ACN: 602 793 644

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

1. 2023 ANNUAL FINANCIAL STATEMENT

In accordance with the Company's Constitution, the business of the meeting will include receipt and consideration of the Company's Financial Report and reports of Directors and Auditors for the year ended 30 June 2023.

In accordance with the Corporations Act, Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the Financial Report.

During the discussion of this item, the Company's auditor will be present and will answer qualifying questions.

ORDINARY RESOLUTIONS

2. Resolution 1 Adoption of 2023 Remuneration Report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2023.

The Remuneration Report sets out details of the remuneration received by the directors and key Company executives, in addition to describing Board policy in respect of remuneration. Resolution 1 seeks Shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of the vote on this resolution is advisory only and not binding on the Company or the Board.

The Corporations Act provides that members of the Key Management Personnel (**KMP**) (as set out in the Company's 2023 Annual Report and which includes the Chair), whose remuneration details are included in the Remuneration Report (and any closely related party of those members) are not permitted to vote on a resolution to approve the Remuneration Report.

Sections 250U to 250Y of Corporations Act which include a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report provide that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report must contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2024 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

The Company has not received a first strike.

The Remuneration Report is set out in the Company's 2023 Annual Report which is available at the Company's website <http://www.titomic.com> on the "Investor Centre" page under "Latest financial results & presentations".

Voting Restrictions

KMP and their closely related parties are not permitted to vote on this Resolution. KMPs of the Company are the Directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's KMPs for the financial year ending 30 June 2023. 'Closely related parties' are defined in the Corporations Act, and include certain of their family members, dependents and companies they control.

However, a KMP may cast a proxy where the proxy specifies in writing how the KMP is to vote (except proxies cast on behalf of another KMP). The Chair is permitted to vote undirected proxies where the shareholder expressly authorises the Chair to exercise the proxy.

Accordingly, if you have appointed the Chair as your proxy you must either direct the Chair how to vote, or otherwise, expressly authorise the Chair to vote undirected proxies notwithstanding that the Chair or KMP may benefit.

Board Recommendation

The Board abstains from making a recommendation in relation to Shareholders voting on Resolution 1.

3. Resolution 2 Re-election of Mr Humphrey Nolan

ASX Listing Rule 14.4 requires that a director must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. In accordance with clause 20.3 of the Company's Constitution, one third of the Directors, must retire at each AGM.

Mr Humphrey Nolan retires, in accordance with the ASX Listing Rules and the Constitution, and offers himself for election.

Appointed to the Board	1 July 2020
Last elected by shareholders	28 January 2021 (2020 AGM)
Experience	Mr Humphrey Nolan is a seasoned Board Director and CEO with over 30 years' experience driving strategic and operational change across industrial, logistics and distribution industries. Mr Nolan has held senior leadership positions within global logistics companies, including at the P&O Group. Mr Nolan is currently Chairman of the Nolan Group and Tapex Group, both leading distributors of technical and industrial textiles operating across Australia and New Zealand.
Other Listed Current Directorships	None
Committees	Audit & Risk Committee Member Remuneration & Nomination Committee Member

Board Recommendation

The Directors (with Mr Nolan abstaining) recommend that you vote in favour of this Resolution.

4. Resolution 3 Re-election of Mr Dag W.R. Stromme

ASX Listing Rule 14.4 requires that a director must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. In accordance with clause 20.3 of the Company's Constitution, one third of the Directors, must retire at each AGM.

Mr Dag W.R. Stromme retires, in accordance with the ASX Listing Rules and the Constitution, and offers himself for election.

Appointed to the Board	1 July 2020
Last elected by shareholders	28 January 2021 (2020 AGM)
Experience	<p>Mr Dag W.R. Stromme is an investor and entrepreneur with close to 30 years of experience from successful private ownership and leading European, as well as global, financial institutions. He has been running his own investment office, PAACS Invest, since 2015. Mr Stromme was previously a senior industry adviser to Triton, an investment firm with €17B under management. He joined Morgan Stanley in New York in 1990, focusing on mergers and acquisitions and was a Managing Director of Morgan Stanley London from 2001 to 2007 and Co-Head of Nordic Investment Banking from 2000 to 2007.</p> <p>Mr Stromme has been a director of various public and non-public companies. He is currently controlling shareholder and Chairman of Racom AS, a technology company focused on security for public and private institutions, and a director of software company Arundo.</p>
Other Listed Current Directorships	None
Committees	Audit & Risk Committee Member Remuneration & Nomination Committee Member

Board Recommendation

The Directors (with Mr Dag W.R. Stromme abstaining) recommend that you vote in favour of this Resolution.

5. Resolution 4 Ratification of prior issue of Placement Shares to investors

5.1. Background

On 26 June 2023, the Company announced that it had received firm commitments from sophisticated and professional investors to subscribe for 100,000,000 Shares at an issue price of \$0.01 per Share to raise \$1 million (before costs) (**Placement**). Funds raised under the Placement, in combination with funds raised under the pro rata accelerated renounceable entitlement offer also announced to ASX on 26 June 2023, will be used to develop increased manufacturing capacity, enhance capability for increased sales opportunities of current products and new business opportunities and to provide general working capital to advance the Company's business.

In respect of the Shares issued under the Placement (**Placement Shares**):

- 75,000,000 Shares were issued to non-related sophisticated and professional investors pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1 (being the subject of this Resolution 4); and
- 25,000,000 Shares are to be issued to Director, Mr Dag W.R. Stromme, subject to the Company receiving shareholder approval under ASX Listing Rule 10.11 (being the subject of Resolution 5).

5.2. ASX Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue, without approval of its shareholders, more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

As the issue of Placement Shares does not fall within any of the specified exceptions to ASX Listing Rule 7.1 and has not yet been approved by Shareholders, the issue of Placement Shares used up part of the Company's 15% placement

capacity under ASX Listing Rule 7.1. This reduces the Company's capacity to issue further equity securities without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

Under ASX Listing Rule 7.4, if a company's shareholders approve an issue of equity securities after it has been made or agreed to be made, that issue or agreement to issue equity securities is treated as having been made with Shareholder approval for the purposes of ASX Listing Rule 7.1 (provided that the issue or agreement did not breach ASX Listing Rule 7.1).

By ratifying the issue of the Placement Shares, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

Accordingly, the Company is seeking Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 75,000,000 Placement Shares the subject of Resolution 4.

If Resolution 4 is not passed, the Placement Shares will be included in calculating the Company's 15% placement capacity under ASX Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of those securities.

If Resolution 4 is passed, the Company will be able to preserve its 15% placement capacity under ASX Listing Rule 7.1 to allow a higher number of equity securities to be issued by the Company without prior Shareholder approval.

5.3. Information required by ASX Listing Rule 7.5

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:

Recipients of issue	Sophisticated and professional investors (as defined in sections 708(8) and 708(11) of the Corporations Act) introduced by lead manager Gleneagle Securities (Aust) Pty Ltd
Number and class of the securities issued	75,000,000 Shares (excluding Placement Shares to be issued to Director, Dag Stromme, to be approved under Resolution 5)
Material terms of the securities	Fully paid ordinary shares
Date on which the securities were issued	3 July 2023
Issue price	\$0.01 per Share.
Purpose of the issue	The purpose of the Placement was to raise \$1,000,000 (before costs).
Intended use of funds	The Company intends to apply the funds raised from the Placement to develop increased manufacturing capacity, enhance capability for increased sales opportunities of current products and new business opportunities and to provide general working capital to advance the Company's business.
Voting exclusion	A voting exclusion statement is included in Resolution 4 of this Notice

5.4. Board Recommendation

The Directors do not currently have any specific intention to make any further issue of securities without approval of shareholders under ASX Listing Rule 7.1 in the next 12 months, unless such issue falls under a relevant exception. However, the Directors believe that it is in the best interests of the Company to maintain its ability to issue securities under its 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.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolutions 4.

6. Resolution 5 Approval of issue of Placement Shares to Mr Dag W.R. Stromme

6.1. Background

Please refer to the background on the Placement as noted in section 5.1 of this Explanatory Memorandum. A Director of the Company, Mr Dag W.R. Stromme, applied to participate in the Placement subject to shareholder approval.

6.2. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of equity securities to a related party of the Company. As a Director, Mr Stromme is a related party of the Company. Accordingly, approval for the issue of 25,000,000 Placement Shares to Mr Stromme is required pursuant to ASX Listing Rule 10.11. As approval of Shareholders is being sought pursuant to Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

6.3. Information required by ASX Listing Rule 10.13

Recipients of issue	Mr Dag W.R. Stromme
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Mr Stromme is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	25,000,000 Shares
Material terms of the securities	Fully paid ordinary shares
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	\$0.01 per Share.
Purpose of the issue	The purpose of the Placement was to raise \$1,000,000 (before costs).
Intended use of funds	The Company intends to apply the funds raised from the Placement to develop increased manufacturing capacity, enhance capability for increased sales opportunities of current products and new business opportunities and to provide general working capital to advance the Company's business.
Voting exclusion	A voting exclusion statement is included in Resolution 5 of this Notice

6.4. Board Recommendation

The Directors (with Mr Dag W.R. Stromme abstaining) recommend that you vote in favour of this Resolution.

7. Resolutions 6 Approval of issue of share rights and Options to the Directors of the Company

7.1. Background

As part of their remuneration package, the Directors of the Company have been granted equity based incentives under the Company's Employee Incentive Plan. The Directors currently hold performance rights and unlisted options issued under the Company's Employee Incentive Plan as set out in the tables below (**Current Director Incentives**).

A) Performance rights issued to Directors:

Director	Performance rights	Hurdle	Expiry
Andreas Schwer	1,833,333	\$0.80	1/07/2025
	2,000,000	\$0.40	2/05/2027
Dag W.R. Stromme	572,917	\$0.80	1/07/2025
	2,000,000	\$0.40	2/05/2027
Herbert Koeck	6,655,808	\$0.40	2/05/2027

Humphrey Nolan	572,917	\$0.80	1/07/2025
	4,000,000	\$0.40	2/05/2027
Richard Willson	252,083	\$0.80	1/07/2025
	2,000,000	\$0.40	2/05/2027
Total	19,887,058		

B) Options issued to Directors:

Director	Options	Exercise price	Expiry
Mira Ricardel	500,000	\$0.40	31/07/2027
	600,000	\$0.60	31/07/2027
	600,000	\$0.80	31/07/2027
	800,000	\$1.00	31/07/2027
Total	2,500,000		

The Board has recently conducted a review of the Current Director Incentives. While the incentive programs have served their purpose of aligning the Directors' interests with growth in the Company's value, the Company's recent capital raise (as announced to ASX on 26 June 2023) has significantly increased the volume of shares on issue, and as a result the share price has been diluted. The value of the Current Director Incentives as at the current share price has therefore significantly reduced.

To realign the Directors' incentive programs with the current share price, the Board proposes to cancel the Existing Director Incentives, and issue each of the Directors with adjusted share rights and unlisted Options as set out in the tables below (subject to receiving shareholder approval) (**Proposed Director Incentives**). It is proposed that the Current Director Incentives will be cancelled on the date of issue of the Proposed Director Incentives.

C) Proposed share rights to be issued to Directors:

Director	Share rights	Hurdle (15-day VWAP)	Vesting period	Expiry
Andreas Schwer	10,000,000	\$0.03	12 months	24 months
	10,000,000	\$0.05	24 months	24 months
	10,000,000	\$0.07	24 months	24 months
Humphrey Nolan	17,500,000	\$0.03	12 months	24 months
	17,500,000	\$0.05	24 months	24 months
	17,500,000	\$0.07	24 months	24 months
Richard Willson	12,500,000	\$0.03	12 months	24 months
	12,500,000	\$0.05	24 months	24 months
	12,500,000	\$0.07	24 months	24 months
Total	120,000,000			

D) Proposed Options to be issued to Directors:

Director	Options	Exercise price	Vesting period	Hurdle (15-day VWAP)	Expiry
Herbert Koeck	25,000,000	Nil	12 months	\$0.03	24 months from vesting or 3 years from the issue date (whichever is earlier)
	35,000,000	Nil	24 months	\$0.05	24 months from vesting or 4 years from the issue date (whichever is earlier)
Dag W.R. Stromme	17,500,000	Nil	12 months	\$0.03	24 months from vesting or 3 years from the issue date (whichever is earlier)
	17,500,000	Nil	24 months	\$0.05	24 months from vesting or 4 years from the issue date (whichever is earlier)
	17,500,000	Nil	24 months	\$0.07	24 months from vesting or 4 years from the issue date (whichever is earlier)

Mira Ricardel	10,000,000	Nil	12 months	\$0.03	24 months from vesting or 3 years from the issue date (whichever is earlier)
	10,000,000	Nil	24 months	\$0.05	24 months from vesting or 4 years from the issue date (whichever is earlier)
	10,000,000	Nil	24 months	\$0.07	24 months from vesting or 4 years from the issue date (whichever is earlier)
Total	142,500,000				

7.2. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of equity securities to a related party of the Company. The Directors are all related parties of the Company. Accordingly, approval for the issue of 120,000,000 share rights and 142,500,000 Options to the Directors of the Company is required pursuant to ASX Listing Rule 10.11. As approval of Shareholders is being sought pursuant to Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

7.3. Information required by ASX Listing Rule 10.13

7.3.1. Andreas Schwer

Recipients of issue	Dr Andreas Schwer
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Dr Schwer is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	10,000,000 share rights, issued on the terms set out in item 1 below 10,000,000 share rights, issued on the terms set out in item 2 below 10,000,000 share rights, issued on the terms set out in item 3 below
Material terms of the securities	<ol style="list-style-type: none"> The share rights will vest after a period of 12 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.03 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company. The share rights will vest after a period of 24 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.05 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company. The share rights will vest after a period of 24 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.07 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company.
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the share rights
Remuneration package	Dr Schwer's total cash remuneration package for the year ended 30 June 2023 is \$30,000. The Current Director Incentives are proposed to be cancelled upon issue of the Proposed Director Incentives.
Voting exclusion	A voting exclusion statement is included in Resolution 6 of this Notice

7.3.2. Dag W.R. Stromme

Recipients of issue	Mr Dag W.R. Stromme
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Mr Stromme is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	17,500,000 unlisted Options, issued on the terms set out in item 1 below 17,500,000 unlisted Options, issued on the terms set out in item 2 below 17,500,000 unlisted Options, issued on the terms set out in item 3 below
Material terms of the securities	<ol style="list-style-type: none"> 1. The Options will vest after a period of 12 months from the issue date if the Company achieves a performance hurdle of \$0.03 (15-day VWAP), and have an expiry date of 24 months from vesting or 3 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company. 2. The Options will vest after a period of 24 months from the issue date if the Company achieves a performance hurdle of \$0.05 (15-day VWAP), and have an expiry date of 24 months from vesting or 4 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company. 3. The Options will vest after a period of 24 months from the issue date if the Company achieves a performance hurdle of \$0.07 (15-day VWAP), and have an expiry date of 24 months from vesting or 4 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company.
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the Options
Remuneration package	Mr Stromme's total cash remuneration package for the year ended 30 June 2023 is \$30,000. The Current Director Incentives are proposed to be cancelled upon issue of the Proposed Director Incentives.
Voting exclusion	A voting exclusion statement is included in Resolution 6 of this Notice

7.3.3. Herbert Koeck

Recipients of issue	Mr Herbert Koeck
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Mr Koeck is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	25,000,000 unlisted Options, issued on the terms set out in item 1 below 35,000,000 unlisted Options, issued on the terms set out in item 2 below
Material terms of the securities	<ol style="list-style-type: none"> 1. The Options will vest after a period of 12 months from the issue date if the Company achieves a performance hurdle of \$0.03 (15-day VWAP), and have an expiry date of 24 months from vesting or 3 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company.

	2. The Options will vest after a period of 24 months from the issue date if the Company achieves a performance hurdle of \$0.05 (15-day VWAP), and have an expiry date of 24 months from vesting or 4 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company.
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the Options
Remuneration package	Mr Koeck's total cash remuneration package for the year ended 30 June 2023 is \$456,194. The Current Director Incentives are proposed to be cancelled upon issue of the Proposed Director Incentives.
Voting exclusion	A voting exclusion statement is included in Resolution 6 of this Notice

7.3.4. Humphrey Nolan

Recipients of issue	Mr Humphrey Nolan
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Mr Nolan is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	17,500,000 share rights, issued on the terms set out in item 1 below 17,500,000 share rights, issued on the terms set out in item 2 below 17,500,000 share rights, issued on the terms set out in item 3 below
Material terms of the securities	<ol style="list-style-type: none"> 1. The share rights will vest after a period of 12 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.03 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company. 2. The share rights will vest after a period of 24 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.05 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company. 3. The share rights will vest after a period of 24 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.07 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company.
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the share rights
Remuneration package	Mr Nolan's total cash remuneration package for the year ended 30 June 2023 is \$57,500. The Current Director Incentives are proposed to be cancelled upon issue of the Proposed Director Incentives.
Voting exclusion	A voting exclusion statement is included in Resolution 6 of this Notice

7.3.5. Richard Willson

Recipients of issue	Mr Richard Willson
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Mr Willson is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	12,500,000 share rights, issued on the terms set out in item 1 below 12,500,000 share rights, issued on the terms set out in item 2 below 12,500,000 share rights, issued on the terms set out in item 3 below
Material terms of the securities	<ol style="list-style-type: none"> 1. The share rights will vest after a period of 12 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.03 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company. 2. The share rights will vest after a period of 24 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.05 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company. 3. The share rights will vest after a period of 24 months from the issue date, and have an expiry date of 24 months from vesting. After vesting, the share rights will convert into Shares if the Company achieves a performance hurdle of \$0.07 (15-day VWAP). Conversion into Shares will occur on a 1 for 1 basis. The share rights will lapse if the holder ceases to be engaged by the Company.
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the share rights
Remuneration package	Mr Willson's total cash remuneration package for the year ended 30 June 2023 is \$40,000. The Current Director Incentives are proposed to be cancelled upon issue of the Proposed Director Incentives.
Voting exclusion	A voting exclusion statement is included in Resolution 6 of this Notice

7.3.6. Mira Ricardel

Recipients of issue	Ms Mira Ricardel
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Ms Ricardel is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	10,000,000 unlisted Options, issued on the terms set out in item 1 below 10,000,000 unlisted Options, issued on the terms set out in item 2 below 10,000,000 unlisted Options, issued on the terms set out in item 3 below
Material terms of the securities	<ol style="list-style-type: none"> 1. The Options will vest after a period of 12 months from the issue date if the Company achieves a performance hurdle of \$0.03 (15-day VWAP), and have an expiry date of 24 months from vesting or 3 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company. 2. The Options will vest after a period of 24 months from the issue date if the Company achieves a performance hurdle of \$0.05 (15-day VWAP), and have an expiry date of

	<p>24 months from vesting or 4 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company.</p> <p>3. The Options will vest after a period of 24 months from the issue date if the Company achieves a performance hurdle of \$0.07 (15-day VWAP), and have an expiry date of 24 months from vesting or 4 years from the issue date (whichever is earlier). After vesting, the Options may be exercised by the holder at an exercise price of nil. Upon exercise of the Options, the holder will be issued with Shares on a 1 for 1 basis. The options will lapse if the holder ceases to be engaged by the Company.</p>
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the Options
Remuneration package	Ms Ricardel's total cash remuneration package for the year ended 30 June 2023 is \$30,000. The Current Director Incentives are proposed to be cancelled upon issue of the Proposed Director Incentives.
Voting exclusion	A voting exclusion statement is included in Resolution 6 of this Notice

7.4. Chapter 2E

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

The Board has formed the view that the issue of the share rights and Options does not require shareholder approval under section 208 of the Corporations Act, as the issue constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

In reaching this view, the Company has considered the role and responsibilities of the Directors and the need for the Company to effectively incentivise its Directors, while aligning the incentive with increasing shareholder value and the desirability of preserving cash resources within the Company.

The Board believes that the proposed issuance of share rights and Options provides a cost-effective form of remuneration for the Directors which aligns their interests to improved overall shareholder value.

7.5. Board Recommendation

Given their interest in the outcome of this resolution, the Board does not make a recommendation to shareholders with respect to this resolution.

8. Resolution 7 Approval of issue of Shares to Mr Herbert Koeck

8.1. Background

Mr Herbert Koeck's existing employment contract as Managing Director of the Company is due to expire on 30 June 2024. Given the Company's interests in retaining Mr Koeck for further tenure, the Board has determined to issue the Managing Director with 20,000,000 Shares, subject to his entry into an extension of his employment contract for a further term of at least 12 months (and subject to receiving Shareholder approval). The Shares are being issued as part of Mr Koeck's remuneration package, in lieu of additional cash remuneration.

8.2. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of equity securities to a related party of the Company. As a Director, Mr Koeck is a related party of the Company. Accordingly, approval for the issue of 20,000,000 Shares to Mr Koeck is required pursuant to ASX Listing Rule 10.11. As approval of Shareholders is being sought pursuant to Listing Rule 10.11, approval under Listing Rule 7.1 is not required.

8.3. Information required by ASX Listing Rule 10.13

Recipients of issue	Mr Herbert Koeck
Category under ASX Listing Rule 10.11	ASX Listing Rule 10.11.1 Mr Koeck is a Director of the Company, and is therefore a related party of the Company.
Number and class of the securities issued	20,000,000 Shares
Material terms of the securities	Fully paid ordinary shares
Date on which the securities will be issued	Within 1 month from the date of this Meeting
Issue price	Nil
Purpose of the issue	To form part of the Director's remuneration package
Intended use of funds	No funds will be raised from the issue of the Options
Voting exclusion	A voting exclusion statement is included in Resolution 7 of this Notice

8.4. Chapter 2E

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless the giving of the financial benefit falls within one of the relevant exceptions, or prior shareholder approval is obtained to the giving of the financial benefit.

The Board has formed the view that the issue of the Shares to Mr Koeck does not require shareholder approval under section 208 of the Corporations Act, as the issue constitutes 'reasonable remuneration' in accordance with section 211 of the Corporations Act.

In reaching this view, the Company has considered the role and responsibilities of Mr Koeck and the need for the Company to effectively incentivise its Directors, while aligning the incentive with increasing shareholder value and the desirability of preserving cash resources within the Company.

The Board believes that the proposed issuance of Shares provides a cost-effective form of remuneration for the Mr Koeck which aligns their interests to improved overall shareholder value.

8.5. Board Recommendation

The Directors (with Mr Herbert Koeck abstaining) recommend that you vote in favour of this Resolution.

SPECIAL RESOLUTION

Resolution 8 Approval of additional capacity to issue securities under ASX Listing Rule 7.1A

ASX Listing Rule 7.1A

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 (**10% Placement Capacity**).

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.

Resolution 8 is a special resolution. 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.

ASX-listed entities which have a market capitalisation of \$300 million or less, and which are not included in the S&P/ASX 300 Index, are eligible to seek shareholder approval under ASX Listing Rule 7.1A. As at the date of this Notice, the Company is eligible to seek shareholder approval under ASX Listing Rule 7.1A.

Whilst the Company currently has no intention or reason to issue this additional placement capacity, in the future having this additional placement capacity to immediately issue securities will be used for cash consideration only, 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.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 upon issue of any equity securities.

Any securities issued under the 10% Placement Capacity will be in the same class as existing quoted securities of the Company. The Company has only two classes of quoted equity securities on issue as at the date of this Notice of Meeting being fully-paid ordinary shares with the ASX code "TTT" and the listed options with the ASX code "TTTO".

The Directors currently have no intention to issue any securities under the 10% Placement Capacity and therefore the allottees under the 10% Placement Capacity have not yet been determined. If Directors decide to issue securities under the 10% Placement Capacity, allottees may include existing Shareholders, existing substantial shareholders and/or new shareholders who are not related parties or associates of a related party of the Company.

Formula for calculating 10% Placement Facility

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 in ASX Listing Rule 7.1A.2 as follows:

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

Where:

A is the number of fully paid ordinary securities on issue at the commencement of the 12 month period before the date of issue or agreement (relevant period),

- plus the number of fully paid ordinary securities issued in the relevant period under an exception in rule 7.2 other than exception 9, 16 or 17,
- plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,

- plus the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4,
- plus the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4,
- plus the number of partly paid ordinary securities that became fully paid in the relevant period,
- less the number of fully paid ordinary securities cancelled in the relevant period.

(‘A’ has the same meaning in ASX Listing Rule 7.1 when calculating an entity’s 15% placement capacity.)

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under rule 7.4.

ASX Listing Rule 7.3A

In accordance with ASX Listing Rule 7.3A the Company provides the following information:

a) *Period for which approval is valid*

Equity securities under the 10% Placement Capacity may be issued until the earlier of:

- 23 November 2024;
- the date of the Company’s next annual general meeting; and
- the date of approval by ordinary shareholders of a significant change to the Company’s activities under ASX Listing Rule 11.1.2 or the date of approval by ordinary shareholders of a disposal of a major asset under ASX Listing Rule 11.2.

b) *Minimum issue price*

The issue price for each security issued under the 10% Placement Capacity will not be less than 75% of the volume weighted average price for securities in that class over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 10 trading days of the date above, the date on which the securities are issued.

c) *Use of funds*

The proceeds of securities issued under the 10% Placement Capacity 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.

d) *Dilution*

The issue of equity securities under the 10% Placement Capacity may result in voting dilution of existing ordinary shareholders (as shown in **Table 1**, below). There is also the risk that:

- the market price for equity securities in that class may be significantly lower on the issue date than on the date of the Meeting; and
- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date.

Table 1, below, shows the dilution of Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A2.

The table also shows:

- two examples where variable “A” has increased, by 50% and 100%. Variable “A” is based on the number of ordinary securities the Company has on issue as at the date of the Notice.

The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders’ meeting; and

- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Table 1

<u>Variable 'A' in Listing Rule 7.1A.2</u>		<u>50% Decrease in Issue Price (\$0.0075)</u>	<u>Issue Price (\$0.015)</u>	<u>100% increase in Issue Price (\$0.03)</u>
Current Variable A 866,094,174 Shares	10% Voting Dilution	86,609,417	86,609,417	86,609,417
	Funds Raised	\$649,571	\$1,299,141	\$2,598,282
50% increase in Variable A 1,299,141,261 Shares	10% Voting Dilution	129,914,126	129,914,126	129,914,126
	Funds Raised	\$974,356	\$1,948,712	\$3,897,424
100% increase in Variable A 1,732,188,348 Shares	10% Voting Dilution	173,218,835	173,218,835	173,218,835
	Funds Raised	\$1,299,142	\$2,598,283	\$5,196,566

Table 1 has been prepared based on the following assumptions:

- Variable A is based on the number of Shares on issue on the date of the Notice.
- The Company issues the maximum number of equity securities available under the 10% Placement Capacity.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
- The table shows only the issue of equity securities under the 10% Placement Capacity and not under ASX Listing Rule 7.1.
- The issue of equity securities under the additional placement capacity includes only shares.

The issue price of \$0.015 was the price as at 5 October 2023 when the Notice of Meeting was finalised. This price may fluctuate between the time of preparing this Notice and the date of the Meeting.

e) Allocation policy

The Company’s allocation policy for issues under the 10% Placement Capacity is dependent on prevailing market conditions at the time of any proposed issue. The identity of the allottees of the equity securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- the methods of raising funds that are available to the Company, including rights issues or other issues in which existing shareholders may participate;
- the effect of the issue of the equity securities on the control of the Company;
- the financial position of the Company; and
- advice from the Company’s advisors.

f) Issues in preceding 12 months

No Shares have been issued to investors under Listing Rule 7.1A.2 during the previous 12 months prior to the date of the Meeting.

g) Voting exclusion statement

As at the date of this Notice the Company is not proposing to make an issue of equity securities under Listing Rule 7.1A.2 and so no voting exclusion is required.

Board Recommendation

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

GLOSSARY

In the Notice of Meeting and Explanatory Memorandum the following terms have the following meanings:

AEDT means Australian Eastern Daylight Savings Time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules or **Listing Rules** means the listing rules of ASX.

Board means the board of directors of the Company.

Chairman means the person chairing the Meeting from time to time.

Closely Related Party of a member of the Key Management Personnel means:

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependent of the member or of the member's spouse; or
- 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
- a company the member controls; or
- a person prescribed by the *Corporations Regulations 2001* (Cth).

Company or **Titomic** or **TTT** means Titomic Limited (ACN 602 793 644).

Constitution means the Company's constitution.

Corporations Act means *Corporations Act 2001* (Cth).

Director means a current director of the Company.

Explanatory Memorandum means the explanatory memorandum to this Notice of Meeting.

Key Management Personnel means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Directors.

Meeting means the 2023 Annual General Meeting of the Shareholders of the Company to be held at 11.00am AEDT on Thursday, 23 November 2023, to which the Notice of Meeting and Explanatory Memorandum relate.

Notice or **Notice of Meeting** means this notice of meeting of the Company.

Option means an option to acquire a Share.

Placement means the share placement conducted by the Company to raise \$1 million through the issue of 100 million new Shares at an offer price of \$0.01 per Share, as announced to ASX on 26 June 2023.

Placement Shares means Shares issued or to be issued under the Placement.

Resolution means a resolution referred to in the Notice.

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

Shareholder means a holder of Shares.

Words importing the singular include the plural and vice versa. All references to currency are in Australian dollars.