

Bluechiip Limited 2024 Extraordinary General Meeting (Physical Meeting)

The 2024 Extraordinary General Meeting (**EGM**) of Bluechiip Limited will be held at 10:00 AM AEST on 29 August 2024 as a physical meeting, at offices of Phillips Ormonde Fitzpatrick, Level 16, 333 Collins Street, Melbourne, VIC 3000.

In accordance with Part 1.2AA of the Corporations Act 2001, the Company will only be dispatching physical copies of the EGM Notice of Meeting (**Notice**) to shareholders who have elected to receive Notice in the physical form.

Shareholders who have provided an email address and have elected to receive electronic communications from the Company, will receive an email to their nominated email address with a link to an electronic copy of the Notice and the proxy voting form.

Otherwise, a personalised proxy voting form will be printed and dispatched to Shareholders.

Notice of EGM

The EGM Notice is available:

1. at <https://www.bluechiip.com/corporate-folder/investors>
2. at <https://www2.asx.com.au/markets/company/BCT>
3. by contacting the Company Secretary on patricia.vanni@automicgroup.com.au

Your vote is important

The business of the EGM affects your shareholding, and your vote is important.

All resolutions will be decided on a poll. The poll will be conducted based on votes submitted by proxy and at the Meeting.

Shareholders attending the Meeting can vote on the day. Shareholders are strongly encouraged to complete and submit their vote by proxy by using one of the following methods:

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

By email	Completing the enclosed Proxy Form and emailing it to: meetings@automicgroup.com.au
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Your Proxy instruction must be received not later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

The Chair intends to vote all open proxies in favour of the resolutions, where permitted.



BY ORDER OF THE BOARD

Patricia Vanni
Company Secretary

Bluechiip Limited

1 Dalmore Drive
Caribbean Business Park
Scoresby VIC 3179
ACN: 104 795 922

info@bluechiip.com
<https://www.bluechiip.com/>



Bluechiip Limited

Notice of Extraordinary General Meeting

Explanatory Statement | Proxy Form

29 August 2024

10:00AM AEST

Address

The Offices of Phillips Ormonde Fitzpatrick
Level 16, 333 Collins Street
Melbourne, VIC 3000

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

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Important Information for Shareholders about the Company's General Meeting

This Notice is given based on circumstances as of 31 July 2024. Should circumstances change, the Company will make an announcement on the ASX market announcements platform and the Company's website at <https://www.bluechiip.com/>. Shareholders are urged to monitor the ASX announcements platform and the Company's website.

Venue and Voting Information

The Extraordinary General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10:00 AM (AEST) on 29 August 2024 at the Offices of Phillips Ormonde Fitzpatrick, Level 16, 333 Collins Street, Melbourne, VIC 3000 (**General Meeting or Meeting**).

Your vote is important

The business of the General Meeting affects your shareholding, and your vote is important.

Voting in person

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

Voting by proxy

To vote by proxy, please use one of the following methods:

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

Your Proxy instruction must be received no later than 48 hours before the commencement of the Meeting. **Proxy Forms received later than this time will be invalid.**

Power of Attorney

If the proxy form is signed under a power of attorney on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already provided it to the Share Registry.

Corporate Representatives

If a representative of a corporate shareholder or a corporate proxy will be attending the Meeting, the representative should bring to the Meeting adequate evidence of their appointment, unless this has previously been provided to the Share Registry.

Asking Questions

We encourage you to submit questions in advance of the Meeting on any matter that may be relevant to the Meeting. You can do this by sending your question to the Company Secretary by emailing patricia.vanni@automicgroup.com.au.

To allow time to collate questions and prepare answers, you must submit any questions by 10:00 AM (AEST) on 22 August 2024.

Questions will be collated and, during the Meeting, the Chair of the Meeting will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Bluechiip Limited ACN 104 795 922 will be held at 10:00 AM (AEST) on 29 August 2024 at the Offices of Phillips Ormonde Fitzpatrick, Level 16, 333 Collins Street, Melbourne, VIC 3000 (**General Meeting or Meeting**).

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

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 7:00 PM (AEST) on 27 August 2024.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

Agenda

Resolutions

Ratification of prior issue of Shares

1. Resolution 1 – Ratification of prior issue of 119,306,069 Shares pursuant to the February Private Placement

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, the Shareholders approve and ratify the allotment and prior issue of 119,306,069 Placement Shares issued on 12 February 2024 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 1 by or on behalf of:

- (a) a person who participated in the issue of Placement Shares under the February Private Placement ; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 1 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.

2. **Resolution 2** – Ratification of prior issue of 81,272,726 Shares pursuant to the June Private Placement

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, the Shareholders approve and ratify the allotment and prior issue of 81,272,726 Placement Shares issued on 17 June 2024 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 2 by or on behalf of:

- (a) a person who participated in the issue of Placement Shares under the June Private Placement; or
- (b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of Resolution 2 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.

Issue of Shares to a Related Party pursuant to the June Placement

3. **Resolution 3** – Approval of issue of Shares to related party, Michael Ohanessian, Non-Executive Director pursuant to the June Placement

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, the Shareholders of the Company approve the issue and allotment of 2,272,727 Placement Shares to Michael Ohanessian, 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 3 by or on behalf of:

- (a) Michael Ohanessian;
- (b) a person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (c) an Associate of that person or those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 3 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction 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.

Approval of future issue of Convertible Notes

4. Resolution 4 – Approval of future issue of Convertible Notes

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 of up to 3,000,000 convertible notes (**Notes**) with a face value of \$1.00 each 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 4 by or on behalf of:

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

However, this does not apply to a vote cast in favour of Resolution 4 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.

Issue of Shares in lieu of salary

5. Resolution 5 – Approval of issue of Shares to Andrew McLellan, CEO and Managing Director

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, the Shareholders of the Company approve the issue and allotment of up to 4,268,323 Shares to Andrew McLellan (or his respective nominee/s) in lieu of 20% of his net salary entitlements for the period from 1 July 2024 to 31 December 2024, 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 5 by or on behalf of:

- (a) Mr Andrew McLellan or his nominee;
- (b) a person who will obtain a material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (c) an Associate of that person or those persons described in (a) or (b).

However, this does not apply to a vote cast in favour of Resolution 5 by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction 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.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 5 if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a Closely Related Party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

6. **Resolutions 6(a), 6(b) and 6(c)** – Approval of issue of Shares to Directors in lieu of directors' fees

To consider and, if thought fit, to pass the following resolutions as separate **Ordinary Resolutions**:

- (a) *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 7,954,545 Shares to Mr Iain Kirkwood, Non-Executive Chair (or his respective nominee/s in lieu of his entitlement to directors' fees for the period from 1 May 2024 to 31 October 2024;*
- (b) *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 4,545,454 Shares to Mr Andrew Cox, Non-Executive Director (or his respective nominee/s in lieu of his entitlement to directors' fees for the period from 1 May 2024 to 31 October 2024; and*
- (c) *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Shareholders of the Company approve the issue and allotment of 4,545,454 Shares to Mr Michael Ohanessian, Non-Executive Director (or his respective nominee/s in lieu of his entitlement to directors' fees for the period from 1 May 2024 to 31 October 2024;*

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 each of Resolutions 6 (a) to 6 (c) (inclusive) by or on behalf of:

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

However, this does not apply to a vote cast in favour of Resolutions 6 (a) to 6 (c) (inclusive) by:

- (i) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with direction 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.

Voting Prohibition Statement: In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolutions 6 (a) to 6 (c) if:

- (a) the proxy is either:
 - (i) a member of the Company's Key Management Personnel; or
 - (ii) a Closely Related Party of a member of the Company's Key Management Personnel; and
- (b) the appointment does not specify the way the proxy is to vote on the resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Company's Key Management Personnel.

BY ORDER OF THE BOARD



Patricia Vanni
Company Secretary

31 July 2024

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Extraordinary General Meeting to be held at 10:00 AM (AEST) on 29 August 2024 at the Offices of Phillips Ormonde Fitzpatrick, Level 16, 333 Collins Street, Melbourne, VIC 3000 (**General Meeting or Meeting**).

The purpose of this Explanatory Statement is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

If you are in any doubt about what to do in relation to the Resolutions contemplated in the Notice of Meeting and this Explanatory Statement, it is recommended that you seek advice from an accountant, solicitor or other professional advisor.

Full details of the business to be considered at the General Meeting are set out below.

Agenda

Resolutions

Ratification of prior issue of Shares

Resolution 1 – Ratification of prior issue of 119,306,069 Shares pursuant to the February Placement

Background

As announced by the Company on 5 February 2024, the Company successfully completed a placement to Sophisticated Investors who were clients of MST Financial Services Pty Ltd who managed the placement (**February Placement**) of 119,306,069 new Placement Shares at an issue price of \$0.007 Per Share raising \$0.84M (before costs) for the Company, utilising the Company's existing capacity under Listing Rule 7.1.

ASX Listing Rule 7.1

Resolution 1 proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 119,306,069 Placement Shares under the February Placement, which was issued on 12 February 2024.

All of the Placement Shares under the February Placement were issued by utilising the Company's existing capacity under Listing Rule 7.1.

Broadly speaking, and 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.

The issue of Placement Shares under the February Placement did not fit within any of the exceptions to Listing Rule 7.1 and, as it had not been previously approved by Shareholders, it effectively uses up part of the Company's 15% limit in Listing Rule 7.1, thereby reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of those Shares.

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so 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 into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder ratification and approval for the prior issue of the Placement Shares under the February Placement for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of the Placement Shares will be excluded in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the date of issue, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 months following the date of issue of the Placement Shares under the February Placement.

If this Resolution is not passed, the issue of fully paid ordinary shares will be included in calculating the Company's 15% capacity to issue Equity Securities under Listing Rule 7.1 without Shareholder approval over the 12-month period following the Issue Date effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares under the February Placement.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Shares were issued to Sophisticated Investors that were clients of MST Financial Services Pty Ltd who managed the placement.
- (b) The Company issued 119,306,069 Placement Shares.
- (c) The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The Placement shares were issued on 12 February 2024.
- (e) Each of the Placement Shares were issued at an issue price of \$0.007 per Share, which raised \$0.84M (before costs).
- (f) Funds raised from the issue of the Placement Shares have been, and will be, used by the Company for continued production scaling and sales expansion, especially in the North American market and ongoing working capital.

Directors' recommendation

The Board of Directors recommends that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Resolution 2 – Ratification of prior issue of 81,272,726 Shares Pursuant to the June Placement

Background

As announced by the Company on 12 June 2024 (**Announcement**), the Company successfully completed a placement to Sophisticated Investors that were clients of MST Financial Services Pty Ltd who managed the placement (**June Placement**) of 81,272,726 new Placement Shares at an issue price of \$0.0044 Per Placement Share raising \$367,600 (before costs) for the Company, utilising the Company's existing capacity under Listing Rule 7.1 and Listing Rule 7.1A.

As noted in the Announcement and as outlined in Resolution 3, Mr Ohanessian, a Non-Executive Director of the Company supported the June Placement by subscribing for a total of A\$10,000 worth of new Placement Shares. The raising of \$367,600 above is inclusive of the related party

subscription from Mr Ohanessian.

ASX Listing Rules 7.1 and 7.1A

This Resolution proposes that Shareholders of the Company approve and ratify the prior issue and allotment of 81,272,726 new Placement Shares, which were issued on 17 June 2024.

27,913,040 new Placement Shares were issued under Listing Rule 7.1 and 53,359,686 new Placement Shares were issued under Listing Rule 7.1A.

Broadly speaking, and 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.

At last year's AGM, the Company sought and obtained approval of its Shareholders under Listing Rule 7.1A to increase this 15% limit by an extra 10% to 25%.

The issue of 81,272,726 Placement Shares did not fit within any of the exceptions (to Listing Rules 7.1 and 7.1A) and, as it has not been approved by the Company's Shareholders, it effectively uses up part of the expanded 25% limit in Listing Rule 7.1 and 7.1A, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12-month period following the date of issue of those Placement Shares (noting that the extra 10% under Listing Rule 7.1A will expire unless re-approved by the Company's Shareholders on an annual basis).

Listing Rule 7.4 allows the Shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1.

A note to Listing Rule 7.4 also provides that an issue made in accordance with Listing Rule 7.1A can be approved subsequently under Listing Rule 7.4 and, if it is, the issue will then be excluded from variable "E" in Listing Rule 7.1A.2 (which means that the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A is not reduced).

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

To this end, this Resolution seeks Shareholder approval to subsequently ratify the prior issue of 81,272,726 Placement Shares for the purposes of Listing Rule 7.4.

If this Resolution is passed, the issue of 81,272,726 Placement Shares under the June Placement will be excluded in calculating the Company's 25% capacity to issue Equity Securities under both Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12-month period following the date of issue of the Placement Shares.

If this Resolution is not passed, the issue of the 81,272,726 Placement Shares under the June Placement will be included in calculating the Company's 25% capacity to issue Equity Securities under Listing Rules 7.1 (15%) and 7.1A (10%) without Shareholder approval over the 12-month period following the date of their issue.

Information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- (a) The Placement Shares were issued to Sophisticated Investors that were clients of MST Financial Services Pty Ltd who managed the placement.
- (b) The Company issued 81,272,726 Placement Shares.

- (c) The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing fully paid ordinary shares previously issued by the Company.
- (d) The Placement Shares were issued on 17 June 2024.
- (e) Each of the Placement Shares were issued at an issue price of \$0.0044 per Placement Share, which raised \$367,600 (before costs). The total is inclusive of the related party transaction outlined in Resolution 3.
- (f) Funds raised from the issue of the Placement Shares have been and will be used for working capital purposes whilst undertaking a strategic review of the business.

Directors' recommendation

The Board of Directors recommends that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Resolution 3 – Approval of issue of Shares to related party, Michael Ohanessian, Non-Executive Director pursuant to the June Private Placement

Background

This Resolution seeks Shareholder approval to issue and allot 2,272,727 Placement Shares to Michael Ohanessian, a Non-Executive Director of the Company.

This resolution is part of the June Placement announced by the Company on 12 June 2024, where the Company completed a placement of 81,272,726 new Placement Shares at an issue price of \$0.0044 per Placement Share raising \$367,600 (before costs) for the Company to Sophisticated Investors that were clients of MST Financial Services Pty Ltd who managed the Convertible Notes transaction.

Mr Ohanessian supported the June Placement by subscribing for a total of A\$10,000 worth of Placement Shares (being 2,272,727 Placement Shares). The Company advises that as Mr Ohanessian is a related party, this subscription is subject to shareholder approval.

Please refer to the background section of Resolution 2 of the Notice of Meeting for a full description of the June Placement.

Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue Equity Securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Mr Ohanessian is a related party and a person in a position of influence for the purposes of Listing Rule 10.11, the proposed issue does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, this Resolution seeks the required Shareholder approval to issue the 2,272,727 Placement Shares to Mr Ohanessian under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of the Placement Shares to Mr Ohanessian.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue of the Placement Shares to Mr Ohanessian, thus reducing the total funds raised under the June Placement by \$10,000 to \$357,600.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Placement Shares (which is a type of equity security, for the purposes of the Chapter 2E of the Corporations Act) constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

The non-conflicted Directors of the Company (being Andrew McLellan, Andrew Cox and Iain Kirkwood) carefully considered the issue of these Placement Shares to Mr Ohanessian and formed the view that the giving of this financial benefit is on arm's length terms, as the securities are proposed to be issued on the same terms as offered to non-related parties of the Company.

Accordingly, the non-conflicted Directors of the Company believe that the issue of these Placement Shares to Mr Ohanessian fall within the "arm's length terms" exception as set out in section 210 of the Corporations Act and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of Placement Shares to Mr Ohanessian requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Information required by ASX Listing Rule 10.13

The following information in relation to the issue of the Placement Shares to Michael Ohanessian is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) The allottee is Michael Ohanessian.
- (b) Mr Ohanessian is a Director of the Company.
- (c) The maximum number of Placement Shares to be issued is 2,272,727.
- (d) 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.
- (e) The Placement Shares will be issued within 1 month of Shareholder approval being obtained by the Company (or otherwise, as determined by the ASX in the exercise of their discretion).
- (f) The Placement Shares were offered at an issue price of \$0.0044 per Placement Share.

- (g) The funds received will be used for working capital and general corporate purposes whilst undertaking a strategic review of the business.
- (h) if the resolution is approved for the purposes of Listing Rule 10.11, then approval is not required under Listing Rule 7.1.

Directors' Recommendation

The Board of Directors (excluding Mr Ohanessian) recommend that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this resolution.

Approval of Future Issue of Convertible Notes

Resolution 4 – Approval of Future Issue of Convertible Notes

Background

As announced on 12 June 2024, the Company has commenced a strategic review which comprises exploring strategic partnerships, investments or possible sale of the business targeting interested parties across North America and Europe.

The Company wishes to maintain flexibility during the strategic review and is therefore seeking shareholder approval to issue up to a maximum of 3,000,000 unsecured convertible notes (**Notes**) with a face value of \$1.00 each from non-related parties through the issue of Convertible Notes to raise up to \$3 million (before costs) to Sophisticated Investors who will be introduced or solicited by the Board.

Funds raised from the proposed Notes issue will strengthen the Company's balance sheet and is planned to be applied for working capital and general corporate purposes (including extinguishing trade supplier payments) whilst the Directors undertake the strategic review described above.

The Notes will be issued pursuant to a convertible note deed poll executed by the Company (a summary of which is set out in Appendix A of this Notice) (**Convertible Note Deed Poll**) and note subscription agreement to be entered into with Sophisticated Investors who will be introduced or solicited by the Board.

ASX Listing Rule 7.1

Broadly speaking, and 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 shares it had on the 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 effect of this Resolution is for Shareholders to approve the issue of these Notes to fall within an exception to ASX Listing Rule 7.1, which will allow the Company the flexibility to issue them without using the Company's 15% capacity under Listing Rule 7.1.

To this end, this Resolution seeks Shareholder approval to approve the issue of a maximum of 3,000,000 Notes (including the subsequent issue of up to a maximum of 1,500,000,000 underlying Shares (subject to rounding) under and for the purposes of Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed issuing up to a maximum of 3,000,000 Notes (including the subsequent issue of up to a maximum of 1,500,000,000 underlying Shares (subject to rounding) which will be excluded in calculating the Company's 15% limit in Listing

Rule 7.1 to issue Equity Securities without Shareholder approval over the 12-month period following the date on which the Notes are issued.

If this Resolution is not passed the Company may not be able to proceed with the issue of some or all of the Notes and will be unable to use the funds proposed to be raised from the issue of the Notes as set out above. This may result in a negative impact on the Company's business and operations.

Information Required by Listing Rule 7.3

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

- (a) the Notes (and underlying Shares on conversion of the Notes (**Conversion Shares**)) will be issued to Sophisticated Investors who may be introduced or solicited by the Directors after the date of this Notice in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Noteholders will be:
 - i. related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - ii. if the Notes are converted, result in the holder being issued with Conversion Shares that are more than 1% of the issued capital of the Company;
- (b) the maximum number of Notes to be issued is 3,000,000 with a face value of \$1.00 each;
- (c) the actual number of Conversion Shares to be issued on conversion cannot be ascertained at the time of this Notice due to the variable conversion price. However, by way of illustration at the date of this Notice, the Company will issue a maximum of 1,500,000,000 Conversion Shares on conversion of the Notes assuming a conversion price of \$0.0020 per Conversion Share, with other conversion price scenarios set out in the table below;
- (d) the Conversion Shares issued on conversion of the Convertibles Notes will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue. The Company will apply to ASX for official quotation of the Shares;
- (e) the Notes will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (f) the issue price of the Notes is \$1.00 each;
- (g) the summary of the terms and conditions of the Notes are set out in Appendix A;
- (h) the purpose of the issue of the Notes is to raise funds that are intended to be used to fund the Company's working capital and general corporate requirements whilst undertaking a strategic review of the business as outlined in the Company's ASX announcement dated 12 June 2024. The Company has no other specific purpose in mind for the use of any funds raised via the issue of the Notes.
- (i) the Notes are not being issued under, or to fund a reverse takeover.
- (j) A voting exclusion statement has been included for the purposes of Resolution 4.

Conversion Price and dilutive effect

The Notes are to convert into Shares at the lower of:

- (a) \$0.012
- (b) a 30% discount to the 20-trading day VWAP of the Company's Shares up to, but not including the conversion date (**Share Price**); and

- (c) a 30% discount to the price or implied equity value (where the consideration is not cash) per Share of any takeover bid disclosed to the ASX in relation to the Company in the 30-day period prior to the date of conversion,

provided always that the Conversion Price cannot in any circumstances be less than the floor price of \$0.002.

Effectively the Conversion Price is the price equal to 70% of the Share Price with a conversion price floor of \$0.002 and a conversion price cap of \$0.012. Accordingly, the conversion price is:

- (a) if the Share Price is equal to or less than \$0.0028, an amount of \$0.002;
- (b) if the Share Price is more than \$0.0028 and less than \$0.017, a 30% discount to the Share Price; or
- (c) if the Share Price is equal to or more than \$0.017, \$0.012.

The table below shows the potential effect of the conversion of the Notes into Shares at the conversion price. The table is based on the following assumptions:

Share Price	Conversion Price (\$)	Shares on issue at the date of this Notice	Shares issued on conversion of Notes	Total Shares on issue following conversion of Notes	Dilutionary effect (%)
0.0025	0.0020	1,182,039,528	1,500,000,000	2,682,039,528	56%
0.005	0.0035	1,182,039,528	857,142,857	2,039,182,385	42%
0.0075	0.0053	1,182,039,528	566,037,736	1,748,077,264	32%
0.01	0.0070	1,182,039,528	428,571,429	1,610,610,957	27%
0.015	0.0105	1,182,039,528	285,714,286	1,467,753,814	19%
0.02	0.0120	1,182,039,528	250,000,000	1,432,039,528	17%

Notes:

¹ The above calculations do not take into account an increase in the number of Shares on issue in the Company whether by reason of exercise of performance rights or any other reason.

² The above calculations do not contemplate conversion of any accrued interest or capitalised fees as may be payable to the noteholders. This will have a further dilutionary effect on Shareholders.

³ The Company raises a total of \$3m by issue of Notes and all Notes are converted in full

Other information

By way of further background to the commercial rationale for the issuance of the Notes, the Company notes the following

Why the Company needs to issue the Notes on the terms described in this Explanatory Statement

The Company requires bridging finance for a period which is expected to be in the order of approximately six months in order to finance its operations while the Directors complete a strategic review which comprises exploring strategic partnerships, investments or possible sale of the business targeting interested parties across North America and Europe

The alternative funding raising options (if any) that were considered by the Company

The Company considered raising equity by way of an offering of its Shares (by way of a placement, share purchase plan or entitlement offer) and non-convertible debt.

If alternative funding raising options were considered, the reasons why the Notes were determined by the Company to be preferable to other funding options

In the Company's view, any equity raising may (i) have involved an unattractive discount and (ii) not have been underwritten and so involve a degree of uncertainty.

The Company believes that raising 'pure' debt for bridging finance is either not achievable or would be more expensive for the Company than the Notes.

Directors' Recommendation

The Board of Directors recommends Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Issue of Shares in lieu of salary

Resolution 5 – Approval of issue of Shares to Andrew McLellan, CEO and Managing Director

Background

The Company has agreed, subject to obtaining Shareholder approval to issue up to 4,268,323 Shares to Mr Andrew McLellan, CEO and Managing Director in lieu of 20% of his net salary for the period 1 July 2024 to 31 December 2024 being \$18,780.62 (**MD Shares**).

In order to ensure that the Company can continue to be in a position to direct available funds into its business, and to demonstrate his support and confidence in the Company, Mr McLellan has agreed to take 20% of his net (after-tax) salary for the period 1 May 2024 to 31 October 2024 in Shares at the same price as Shares issued under the June Placement, being \$0.0044 per Share.

Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue Equity Securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;
- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Mr McLellan is a related party and a person in a position of influence for the purposes of Listing Rule 10.11, the proposed issue of the MD Shares does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule

10.11.

To this end, this Resolution seeks the required Shareholder approval to issue up to 4,268,323 MD Shares to Mr McLellan under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If this Resolution is passed, the Company will be able to proceed with the proposed issue of MD Shares to Mr McLellan.

If this Resolution is not passed, the Company will not be able to proceed with the proposed issue and the Company will be required to consider other ways of properly remunerating Mr McLellan under his contract of employment, including payment of Mr McLellan's entire salary in cash.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of MD Shares constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company. The definition of "related party" also includes a person whom there is reasonable grounds to believe will become a "related party" of a public company.

The non-conflicted Directors of the Company (being Messrs Iain Kirkwood, Andrew Cox and Michael Ohanessian) have considered the application of Chapter 2E of the Corporations Act and resolved that either or both the arms' length terms and/or reasonable remuneration exceptions provided by sections 210 and 211 of the Corporations Act is relevant in the circumstances. Accordingly, the Company will not seek approval for the issue of the MD Shares pursuant to section 208 of the Corporations Act, in addition to the approval now being sought under the ASX Listing Rules.

Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to Resolution 5:

- (a) The allottee is Mr Andrew McLellan (or his nominee). Mr McLellan is the CEO and Managing Director of the Company, who falls within the category set out in Listing Rule 10.11.1, as a related party of the Company by virtue of being a Director;
- (b) The maximum number of MD Shares to be issued is 4,268,323;
- (c) The MD Shares will be issued for nil cash consideration as the MD Shares are being issued at the deemed issue price of \$0.0044 in lieu of 20% of Mr McLellan's net salary totalling \$30,979.61 for the period between 1 May 2024 and 31 October 2024;
- (d) the Company will not receive any cash consideration in respect of the issue of the MD Shares. However, the issue of the MD Shares will result in the Company converting money owing and/or payable to Mr McLellan to equity, and preserving cash, as set out above;
- (e) the purpose of the issue of the MD Shares is to preserve the cash reserves of the Company and convert part of the net salary otherwise payable to Mr McLellan (being, 20% of his net salary for the period between 1 May 2024 and 31 October 2024 to equity);

- (f) the MD Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the MD Shares will occur on the same date;
- (g) Mr McLellan has a base remuneration package of \$309,796 per annum plus statutory superannuation. In addition, Mr McLellan is entitled to a short term incentive of up to 30% of his base remuneration package; and
- (h) the MD Shares are being issued in lieu of 20% of Mr McLellan's net salary for the period between 1 May 2024 and 31 October 2024 under an agreement between the Company and Mr McLellan pursuant to which the Company and Mr McLellan has agreed, subject to shareholder approval, to convert a portion of his salary as set out above into MD Shares at the deemed conversion price also set out above.

Directors' Recommendation

The Board of Directors (excluding Mr McLellan) recommends that Shareholders vote for this Resolution.

The Chair intends to vote all undirected proxies in favour of this Resolution.

Resolutions 6(a), 6(b) and 6(c) – Approval of issue of Shares in lieu of directors' fees

Background

To ensure that the Company is in a position to direct available funds into its business, and to demonstrate their support and confidence in the Company, each of the Company's non-executive directors has agreed, subject to Shareholder approval, to defer their directors' fees payable for the period 1 May 2024 to 31 October 2024, and to convert those deferred fees into Shares at the same price as Shares issued under the June Placement, being \$0.0044 per Share.

The Company has agreed, subject to obtaining Shareholder approval to issue Shares to each of Mr Iain Kirkwood, Mr Andrew Cox and Mr Michael Ohanessian (together, the **Related Parties**):

- (a) 7,954,545 Shares to Mr Kirkwood (or his nominee/s) in lieu of \$35,000 in Directors' fees owing and/or payable to Mr Kirkwood (the subject of Resolution 6 (a) ;
- (b) 4,545,454 Shares to Mr Cox (or his nominee/s) in lieu of \$20,000 in Directors' fees owing and/or payable to Mr Cox (the subject of Resolution 6 (b); and
- (c) 4,545,454 Shares to Mr Ohanessian (or his nominee/s) in lieu of \$20,000 in Directors' fees owing and/or payable to Mr Ohanessian (the subject of Resolution 6 (c),

in each case, for the period 1 May 2024 to 31 October 2024 (together, the **Fee Shares**).

The purpose of the proposed issue of the Fee Shares to each of the Related Parties is to replace the obligation of the Company to pay directors' fees to the Related Parties, for certain periods.

Listing Rule 10.11

ASX Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company, as a listed company, must not issue Equity Securities to persons in a position of influence without Shareholder approval.

A person in a position of influence for the purposes of Listing Rule 10.11 includes:

- (a) a related party;
- (b) a person who is, or was at any time in the 6 months before the issue of agreement, a substantial (30%+) holder in the Company;
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a

substantial (10%+) holder in the Company and who has nominated a director to the board of the Company pursuant to a relevant agreement which gives them a right or expectation to do so;

- (d) an Associate of a person referred to in (a) to (c) above; and
- (e) a person whose relationship with the Company or a person referred to in (a) to (d) above is such that, in the ASX's opinion, the issue or agreement should be approved by Shareholders.

As Messrs Kirkwood, Cox and Ohanessian are all related parties and persons in a position of influence for the purposes of Listing Rule 10.11, the proposed issue of the Fee Shares does not fall within any of the exceptions in Listing Rule 10.12, and therefore requires the approval of the Company's Shareholders under Listing Rule 10.11.

To this end, Resolutions 6 (a) to Resolution 6 (c) seek the required Shareholder approval to issue the Fee Shares to the Related Parties under and for the purposes of Listing Rule 10.11.

If approval is obtained under Listing Rule 10.11, in accordance with Listing Rule 7.2 (exception 14), separate approval is not required under Listing Rule 7.1.

If any of Resolutions 6 (a) to Resolution 6 (c) are passed, the Company will be able to proceed with the proposed issue of Fee Shares the subject of the Resolution that is passed.

If any of Resolutions 6 (a) to Resolution 6 (c) are not passed, the Company will not be able to proceed with the proposed issue of the Fee Shares the subject of the Resolution not passed and the Company will be required to consider other mechanisms to properly remunerate the relevant Related Party, including payment of the relevant fees in cash.

Each of Resolutions 6 (a) to Resolution 6 (c) are not dependent on one another.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- (a) the giving of the financial benefit falls within one of the exceptions to the provisions; or
- (b) Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed issue of Fee Shares constitutes the giving of a financial benefit.

A "related party" for the purposes of the Corporations Act and the Listing Rules is widely defined and includes a director of a public company, a spouse of a director of a public company or an entity controlled by a director of a public company.

In respect of Resolution 6 (a), the non-conflicted Directors of the Company (being, Andrew McLellan, Andrew Cox and Michael Ohanessian) carefully considered the issue of Fee Shares to Mr Kirkwood and formed the view that the agreement to issue the Shares constitutes reasonable remuneration payable to Mr Kirkwood.

Accordingly, the non-conflicted Directors of the Company believe that the issue of Fee Shares to Mr Kirkwood fall within the "remuneration and reimbursement for officer or employee" exception as set out in section 211 of the Corporations Act and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of Fee Shares to Mr Kirkwood requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

In respect of Resolution 6 (b), the non-conflicted Directors of the Company (being, Andrew McLellan, Iain Kirkwood and Michael Ohanessian) carefully considered the issue of Fee Shares to Mr Cox and formed the view that the agreement to issue the Shares constitutes reasonable remuneration payable to Mr Cox.

Accordingly, the non-conflicted Directors of the Company believe that the issue of Fee Shares to Mr Cox fall within the "remuneration and reimbursement for officer or employee" exception as set out in section 211 of the Corporations Act and relies on this exception for the purposes of this

Resolution. Therefore, the proposed issue of Fee Shares to Mr Cox requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

In respect of Resolution 6 (c), the non-conflicted Directors of the Company (being, Andrew McLellan, Iain Kirkwood and Andrew Cox) carefully considered the issue of Fee Shares to Mr Ohanessian and formed the view that the agreement to issue the Shares constitutes reasonable remuneration payable to Mr Ohanessian.

Accordingly, the non-conflicted Directors of the Company believe that the issue of Fee Shares to Mr Ohanessian falls within the “remuneration and reimbursement for officer or employee” exception as set out in section 211 of the Corporations Act and relies on this exception for the purposes of this Resolution. Therefore, the proposed issue of Fee Shares to Mr Ohanessian requires Shareholder approval under and for the purposes of Listing Rule 10.11 only.

Information required by ASX Listing Rule 10.13

The following information in relation to Resolutions 6 (a) to Resolution 6 (c) is provided to Shareholders for the purposes of ASX Listing Rule 10.13:

- (a) the Fee Shares will be issued to the Related Parties (or their respective nominees), who fall within the category set out in Listing Rule 10.11.1, as each Related Party is a related party of the Company by virtue of being a Director;
- (b) The maximum number of 17,045,453 Fee Shares to be issued to the Related Parties (or their respective nominees) is as follows:

Resolution	Related Party	Fee Shares
Resolution 6 (a)	Mr Kirkwood (or his respective nominee/s)	7,954,545
Resolution 6 (b)	Mr Cox (or his respective nominee/s)	4,545,454
Resolution 6 (c)	Mr Ohanessian (or his respective nominee/s)	4,545,454

- (c) The Fee Shares will be issued for no cash consideration as the Fee Shares are being issued at the deemed issue price of \$0.0044 in lieu of outstanding Directors’ fees totalling \$75,000 accrued and owing to the Related Parties for the period between 1 May 2024 and 31 October 2024, comprising:
 - (i) \$35,000 in director’s fees owing to Mr Kirkwood;
 - (ii) \$20,000 in director’s fees owing to Mr Cox; and
 - (iii) \$30,000 in director’s fees owing to Mr Ohanessian.
- (d) the Company will not receive any consideration in respect of the issue of the Fee Shares. However, the issue of the Fee Shares will result in the Company converting money owing and/or fees prospectively payable to the Related Parties to equity as set out above;
- (e) the purpose of the issue of the Fee Shares is to preserve the cash reserves of the Company and convert directors’ fees otherwise payable to the Related Parties (being, the directors’ fees for the period between 1 May 2024 and 31 October 2024 to equity;
- (f) the Fee Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (g) Mr Kirkwood is entitled to be paid directors’ fees of \$70,000 per annum. Each of Messrs Cox and Ohanessian are entitled to be paid directors’ fees of \$40,000 per annum; and
- (h) the Fee Shares are being issued in lieu of director fees under informal agreements between the Company and each of the Related Parties pursuant to which the Company and each Related Party has agreed, subject to shareholder approval, to convert the director fees set out above into Shares at the deemed conversion prices also set out above.

Directors' Recommendation

The Board of Directors (excluding Mr Kirkwood) recommend Shareholders vote for Resolution 6(a).

The Board of Directors (excluding Mr Cox) recommend Shareholders vote for Resolution 6(b).

The Board of Directors (excluding Mr Ohanessian) recommend Shareholders vote for Resolution 6(c).

The Chair intends to vote all undirected proxies in favour of each of Resolutions 6(a) to 6(c) (inclusive).

Enquiries

Shareholders are asked to contact the Company Secretary, Ms Patricia Vanni by emailing patricia.vanni@automicgroup.com.au if they have any queries in respect of the matters set out in these documents.

Glossary

AEST means Australian Eastern Standard Time as observed in Sydney, New South Wales.

ASIC means Australian Securities and Investment Commission.

Associate has the meaning given to it by the ASX Listing Rules.

ASX means ASX Limited ACN 008 624 691 or the financial market operated by it, as the context requires.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Board means the current board of Directors of the Company.

Business Day means a day on which trading takes place on the stock market of ASX.

Chair means the person chairing the Meeting.

Closely Related Party of a member of the KMP means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or of the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the Company;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporation Regulations 2001* (Cth).

Company means Bluechiip Limited ACN 104 795 922.

Constitution means the Company's constitution.

Convertible Note or **Note** means a debt instrument which, subject to its terms, could be converted into a Share under the Convertible Note Deed Poll.

Convertible Note Deed Poll has the meaning given to that term in the Explanatory Statement relating to Resolution 4.

Corporations Act means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

Director means a current director of the Company.

Dollar or "\$" means Australian dollars.

Equity Securities includes a Share, a right to a Share or option, an option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying this Notice of Meeting.

Extraordinary General Meeting, General Meeting or **Meeting** means the meeting convened by the Notice.

February Private Placement means the placement to Sophisticated Investors of 119,306,069 Shares announced by the Company on 5 February 2024 as described in the Explanatory Statement relating to Resolution 1.

June Private Placement means the placement to Sophisticated Investors of 81,272,726 Shares announced by the Company on 12 June 2024, as described in the Explanatory Statement relating

to Resolution 2.

KMP means key management personnel (including the Directors) whose remuneration details are included in the Remuneration Report.

MD Shares has the meaning given to that term in the Explanatory Statement relating to Resolution 5.

Notice, Notice of Meeting or **Notice of Extraordinary General Meeting** means this notice of extraordinary general meeting dated 31 July 2024 including the Explanatory Statement.

Ordinary Resolution means a resolution that can only be passed if at least 50% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Placement Shares means Shares issued under the February Private Placement and the June Private Placement or either of them, as the context requires.

Proxy Form means the proxy form attached to this Notice of Meeting.

Resolutions means the resolutions set out in this Notice of Meeting, or any one of them, as the context requires.

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

Share Price means the volume weighted average market price for Shares calculated over the 20 Trading Days on which trades of Shares were recorded immediately before the date of a conversion notice.

Shareholder means a holder of a Share.

Share Registry means Automic Pty Ltd.

Sophisticated Investors means investors within the definition in sections 708(8) and/or 708(11) of the Corporations Act.

Special Resolution means a resolution that can only be passed if at least 75% of the total votes cast by Shareholders entitled to vote on the resolution are voted in its favour at the meeting.

Trading Day has the meaning given to that term in ASX Listing Rule 19.12.

VWAP means the volume weighted average market (closing) price, with respects to the price of Shares.

Annexure A – Key Terms of Convertible Notes

Issuer	Bluechiip Limited (ACN 104 795 922)
Investors	Sophisticated, wholesale, professional investors exempt from disclosure under section 708 of the Corporations Act.
Face Value	\$3 million in aggregate with each Convertible Note having a Face Value of \$1.00 each.
Issue Date	The date on which Notes are first issued.
Status	<p>The Notes will be unsecured convertible notes which are convertible into Shares, and redeemable, as set out below.</p> <p>Shares issued on conversion of the Notes will be fully paid and will rank pari passu in all respects with the Shares on issue in the Company as at the date of conversion.</p>
Interest	<p>12.0% pa accruing daily capitalising quarterly and added to the Face Value of the Notes.</p> <p>Accrued but unpaid interest is payable in cash upon redemption or conversion into shares (at the Conversion Price) upon conversion (as the case may be).</p>
Maturity Date	2 years from date of issue unless redeemed or converted earlier (see below).
Conversion	<p>Each investor will have the right to convert the Notes into new Shares by delivering a conversion notice to the Company at any time during the period commencing 6 months after the Issue Date and ending before the Maturity Date of the Notes.</p> <p>Upon conversion, the Convertible Note will be converted into New Shares at the prevailing Conversion Price (defined below).</p> <p>A conversion notice cannot be given if a redemption notice has already been given.</p> <p>The number of Shares to which a Noteholder will be entitled on conversion of each Note will be equal to the Face Value (together with all accrued but unpaid interest) divided by the Conversion Price.</p> <p>The Company is not obliged to issue Shares to a Noteholder if to do so would cause the Company to breach an applicable law in Australia, the Noteholder's place of residence, or another relevant jurisdiction.</p>
Conversion Price	<p>The Conversion Price will be the lower of:</p> <ul style="list-style-type: none"> (a) \$0.012 (b) a 30% discount to the VWAP of the Company's Shares over the 20 Trading Days immediately before, but not including the conversion date; and (c) a 30% discount to the price or implied equity value (where the consideration is not cash) per Share of any takeover bid disclosed to the ASX in relation to the Company in the 30-day period prior to the conversion date, <p>provided always that the Conversion Price cannot be any less than a floor price of \$0.002.</p> <p>Any fraction of a Share (across all of the Notes held by a Noteholder) is to be rounded up or down to the nearest whole number of Shares.</p>

Redemption	<p>Within the period of 14 days prior to the Maturity Date the Noteholder must give the Company either a redemption notice or a conversion notice in respect of the Notes. If the Noteholder gives a redemption notice during this period, then the Company must, on the Maturity Date, redeem the notes for cash equal to the Face Value of the Notes and any accrued but unpaid interest that is payable on redemption.</p> <p>If the investor does not give a redemption notice the Notes will automatically convert into New Shares at the Conversion Price on the Maturity Date.</p>
Redemption at Investor's discretion	If an event of default occurs, a Noteholder may require the Company to redeem its Notes for cash for the Face Value of the Notes and any accrued but unpaid interest as at the time of redemption.
Representations and warranties	The Company has provided the Noteholder with customary representations and warranties.
Events of default	<p>The Convertible Note Deed Poll includes typical events of default, including, amongst other things, the following (in summary):</p> <ul style="list-style-type: none"> material breach: the Company fails in a material way to perform any material obligation required of it under the Convertible Note Deed, and if the non-compliance can be remedied, does not remedy the non-compliance to the satisfaction of the Noteholder within 15 business days of written notice by a Noteholder to do so; Insolvency event: an insolvency event occurs in respect of the Company and if capable of being remedied or withdrawn is not remedied or withdrawn within 5 business days of the insolvency event occurring;
Reconstructions	If there is a reconstruction of the issued securities of the Company, then subject to the Corporations Act, the Constitution and the ASX Listing Rules, as applicable, the Conversion Price and/or the floor price will be adjusted (as determined by the Company, acting reasonably) in the same proportion as the issued securities are reconstructed and in a manner which will not result in additional benefits being conferred on Noteholders which are not conferred on existing shareholders.
Bonus issues	If the Company makes a bonus issue of Shares to existing shareholders then subject to the Corporations Act, the Constitution and the ASX Listing Rules, as applicable, upon conversion of the Notes the Company must issue a number of additional Shares to the Noteholder equal to the number of bonus shares that the Noteholder would have been entitled to receive, by way of participation in the bonus issue, if the Shares had been issued immediately before the record date for the bonus issue.
No shareholder rights	<p>A Note does not, prior to conversion, confer on a Noteholder any:</p> <ul style="list-style-type: none"> beneficial entitlement to or interest in any share of any class in the Company; right to attend or vote at a meeting of shareholders of the Company; beneficial or other right to be paid or credited a dividend declared or determined by the Company or any other right to participate in a distribution by the Company; or proprietary interest in any asset or cash flow of the Company.
Quotation	The Notes will not be quoted.
Transferability	Notes are transferrable only with the prior written consent of the Company.
Governing law	Victoria

Bluechiip Limited | ABN 79 104 795 922

Your proxy voting instruction must be received by **10.00am (AEST) on Tuesday, 27 August 2024**, 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 Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

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



BY MAIL:

Automic
GPO Box 5193
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IN PERSON:

Automic
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Sydney NSW 2000

BY EMAIL:

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BY FACSIMILE:

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All enquiries to Automic:

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