
HERAMED LIMITED

ACN 626 295 314

NOTICE OF ANNUAL GENERAL MEETING

TIME: 2:00pm (AEST)

DATE: 31 May 2021

PLACE: Automic Group, Level 5, 126 Phillip St, Sydney NSW 2000

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.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary by email on jonathan@hera-med.com.

CONTENTS

Business of the Meeting (setting out the proposed Resolutions)	3
Explanatory Statement (explaining the proposed Resolutions)	7
Glossary	17
Schedule A	18
Schedule B	19
Schedule C	20
Proxy Form	Enclosed

IMPORTANT INFORMATION

Time and place of Meeting

Notice is hereby given that the Meeting will be held at 2:00pm (AEST) on 31 May 2021 at Automic Group, Level 5, 126 Phillip St, Sydney NSW 2000.

Your vote is important

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

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered Shareholders at 2:00pm (AEST) on 29 May 2021.

All Resolutions at the Meeting will be decided based on proxy votes.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations

Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (ie as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (ie as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (ie as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Report of the Company for the financial year ended 31 December 2020, together with the Directors' Declaration, the Directors' Report, the Remuneration Report and the Independent Auditor's Report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's Annual Financial Report for the financial year ended 31 December 2020."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: 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 this Resolution if: the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member; and the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if: the proxy is the Chair; and the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – TAL SLONIM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr Tal Slonim, who retires and being eligible, offers himself for election as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR DORON BIRGER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr Doron Birger, who retires and being eligible, offers himself for election as a Director."

5. RESOLUTION 4 – RATIFICATION OF ISSUE OF PERFORMANCE OPTIONS – LR 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,349,229 Performance Options under Listing Rule 7.1 to Mayo Clinic on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- a) any person who participated in the issue of any of the Shares that are the subject of Resolution 4; or
- b) an associate of such a person.

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

- a) a person, proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the directions given to the proxy or attorney to vote on Resolution 4 in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 4, in accordance with the direction given to the chair to vote on Resolution 4 as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way, to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 4; and
 - ii. the holder votes on Resolution 4 in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 5 – RATIFICATION OF ISSUE OF PLACEMENT SHARES – LR 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 922,215 Ordinary Shares under Listing Rule 7.1 to

sophisticated investors on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of Resolution 5 by or on behalf of:

- a) any person who participated in the issue of any of the Placement Shares that are the subject of Resolution 5; or
- b) an associate of such a person.

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

- a) a person, proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the directions given to the proxy or attorney to vote on Resolution 5 in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 5, in accordance with the direction given to the chair to vote on Resolution 5 as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way, to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 5; and
 - ii. the holder votes on Resolution 5 in accordance with directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 6 – RATIFICATION OF ISSUE OF ADVISOR OPTIONS – LR 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,350,000 Advisor Options under Listing Rule 7.1A to sophisticated investors on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of Resolution 6 by or on behalf of:

- a) any person who participated in the issue of any of the Advisor Options that are the subject of Resolution 6; or

- b) an associate of such a person.

However, this does not apply to a vote cast in favour of Resolution 6 by:

- a) a person, proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the directions given to the proxy or attorney to vote on Resolution 6 in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 6, in accordance with the direction given to the chair to vote on Resolution 6 as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way, to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 6; and
 - ii. the holder votes on Resolution 6 in accordance with directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 7 – RATIFICATION OF ISSUE OF SHARES – LR 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 2,767,691 Ordinary Shares under Listing Rule 7.1 to Mayo Clinic on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of Resolution 7 by or on behalf of:

- a) any person who participated in the issue of any of the Shares that are the subject of Resolution 7; or
- b) an associate of such a person.

However, this does not apply to a vote cast in favour of Resolution 7 by:

- a) a person, proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with the directions given to the proxy or attorney to vote on Resolution 7 in that way; or

- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 7, in accordance with the direction given to the chair to vote on Resolution 7 as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation the holder votes on Resolution 7 in accordance with directions given by the beneficiary to the holder to vote in that way. to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 6; and
 - ii. the holder votes on Resolution 7 in accordance with directions given by the beneficiary to the holder to vote in that way.

9. RESOLUTION 8 – APPROVAL OF ISSUE OF OPTIONS – PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue of 8,638,055 Options with an exercise price of \$0.20 and an expiry date of one (1) year from date of issue and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of Resolution 8 by or on behalf of:

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

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

- a) a person, proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with the directions given to the proxy or attorney to vote on Resolution 8 in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 8, in accordance with the direction given to the chair to

- vote on Resolution 8 as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation the holder votes on Resolution 8 in accordance with directions given by the beneficiary to the holder to vote in that way. to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 8; and
 - ii. the holder votes on Resolution 8 in accordance with directions given by the beneficiary to the holder to vote in that way.

10. RESOLUTION 9 – APPROVAL OF ISSUE OF ADVISORY OPTIONS – PLACEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.1 and for all other purposes, approval is given for the issue of 1,000,000 Advisory Options to PAC Partners or its nominee(s) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The entity will disregard any votes cast in favour of Resolution 9 by or on behalf of:

- a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) namely PAC Partners (or its nominee/s); or
- b) an associate of such a person.

However, this does not apply to a vote cast in favour of Resolution 9 by:

- a) a person, proxy or attorney for a person who is entitled to vote on Resolution 9, in accordance with the directions given to the proxy or attorney to vote on Resolution 9 in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on Resolution 9, in accordance with the direction given to the chair to vote on Resolution 9 as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary

capacity on behalf of a beneficiary provided the following conditions are met:

- i. the beneficiary provides written confirmation the holder votes on Resolution 9 in accordance with directions given by the beneficiary to the holder to vote in that way, to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on Resolution 9; and
 - ii. the holder votes on Resolution 9 in accordance with directions given by the beneficiary to the holder to vote in that way.
- i. 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
 - ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 21 April 2021

By order of the Board

Ron Weinberger
Chairman

11. RESOLUTION 10 – APPROVAL OF 10% PLACEMENT CAPACITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of Shares), or an associate of that person (or those persons).

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

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) 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
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

BACKGROUND TO LISTING RULES APPLICABLE TO RESOLUTIONS

Listing Rule 7.1

Listing Rule 7.1, commonly referred to as the “**15% rule**”, limits the capacity of an ASX- listed company to issue securities without the approval of its shareholders. In broad terms, that Listing Rule provides that a company may not issue or agree to issue Equity Securities equal to more than 15% of the total number of ordinary securities on issue in the capital of the company 12 months prior to the proposed date of issue or agreement to issue (but excluding any shares issued in reliance on the 15% rule in that 12 month period), unless the issue or agreement to issue is approved by shareholders or otherwise comes within one of the exceptions to Listing Rule 7.1.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.1 is so approved (each an **Approved 7.1 Resolution**), the Company's ability to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules, will not be decreased as a result of the issue of any Equity Securities pursuant to an Approved 7.1 Resolution.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.1 is not so approved (each a **Disapproved 7.1 Resolution**), the Company will during the next 12 month period and in the absence of specific Shareholder approval being granted at the relevant time, have its ability to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules, decreased by the number of Equity Securities that are the subject of a Disapproved 7.1 Resolution.

Listing Rule 7.4

A company in general meeting can ratify, by passage of an ordinary resolution, an issue of Equity Securities made in the preceding 12 months without shareholder approval in compliance with the 15% rule, so as to reverse the “depletion” of the company's capacity to issue Equity Securities without shareholder approval under 15% rule resulting from that previous issue.

Listing Rule 7.4, known as the “**subsequent approval**” rule, validates an issue of Equity Securities made without shareholder approval under Listing Rule 7.1 as if it had been made with shareholder approval for the purposes of Listing Rule 7.1 if both of the following criteria are satisfied, namely:

- (a) the issue was not made in breach of Listing Rule 7.1; and
- (b) the holders of ordinary securities in the company subsequently approve that issue.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.4 is so approved (each an **Approved 7.4 Resolution**), the Company's ability to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules will not be decreased as a result of the issue of any Equity Securities pursuant to an Approved 7.4 Resolution.

In the event that a resolution that is required to be approved in accordance with the requirements of Listing Rule 7.4 is not so approved (each a **Disapproved 7.4 Resolution**), the Company will during the next 12 month period and in the absence of specific Shareholder approval being granted at the relevant time, either:

- (a) have its ability to issue further Equity Securities decreased by the number of Equity Securities that were issued pursuant to a Disapproved 7.4 Resolution; or
- (b) be required to redeem and cancel some or all of the number of Equity Securities that were issued pursuant to a Disapproved 7.4 Resolution, depending on the extent, if any, by which that number exceeds the capacity of the Company to issue further Equity Securities under the 15% Rule or otherwise under the terms of the Listing Rules.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 31 December 2020, together with the Directors' Declaration, the Directors' report, the Remuneration Report and the Independent Auditor's Report.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. The Company's Annual Financial Report is available at the registered office of the Company. Please note the Company's auditor will attend the AGM and will answer any queries Shareholders may have.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

Under changes to the Corporations Act which came into effect on 1 July 2011, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election / re-election as directors is approved, will be the directors of the Company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were not more than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

2.4 Proxy voting restrictions

Shareholders appointing a proxy for this Resolution should note the following:

Proxy	Directed	Undirected
Key Management Personnel ¹	Voted	Not voted ³
Chair ²	Voted	Voted at discretion of Proxy ⁴
Other	Voted	Voted at discretion of Proxy

Notes:

¹ Refers to Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member.

² Refers to the Chair (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report), or a Closely Related Party of such a member).

³ Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

⁴ The Proxy Form notes it is the Chair's intention to vote all undirected proxies in favour of all Resolutions.

3. RESOLUTIONS 2 AND 3 – ELECTION OF DIRECTORS – MR TAL SLONIM AND MR DORON BIRGER

3.1 General

In accordance with clause 14.2 of the Company's Constitution, at the Company's annual general meeting in every year, one third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election.

Resolution 2 seeks approval for the re-election of Mr Tal Slonim as a Non-Executive Director, retiring by rotation pursuant to the Company's Constitution.

Resolution 3 seeks approval for the for the re-election of Mr Doron Birger as a Non-Executive Director, retiring by rotation pursuant to the Company's Constitution.

4. RESOLUTION 4 – RATIFICATION OF ISSUE OF PERFORMANCE OPTIONS – LR 7.1

On 21 July 2020, as consideration for Mayo Clinic extending its collaboration with the Company, the Company issued to Mayo Clinic the following performance-based options (**Performance Options**):

- Upon the successful completion of the HeraCARE pilot and upon acceptance of a proof of a concept by the Mayo Clinic – 1,186,153 Performance Options (equal to the value of USD\$75,000 or AUD\$107,940*);
- FDA clearance of HeraBEAT Plus for home care – 1,581,538 Performance Options (equal to the value of USD\$100,000 or AUD\$143,920*); and
- On the commercial launch of the HeraCare Platform and when the HeraCARE Platform is generating its first revenues – 1,581,538 Performance Options (equal to USD\$100,000 or AUD\$143,920*).

**Based on an issue price of \$0.091 and an exchange rate of 1USD:1.4392 AUD. The Performance Options will be unlisted with a nil exercise price with a term of 24 months. For more information, please refer to ASX Announcement dated 21 July 2020.*

Mayo Clinic is not a related party of the Company. All of the Performance Options were issued by utilising the Company's existing capacity under Listing Rule 7.1

Listing Rule 7.1 allows an entity to issue (or agree to issue) up to 15% of the Company's fully paid ordinary shares on issue in any 12 month period without the approval of the Shareholders of the Company.

Listing Rule 7.4 provides that where an entity in a general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with Shareholder approval for the purposes of Listing Rule 7.1, thereby "refreshing" the Company's capacity under Listing Rule 7.1.

Therefore, the effect of approval of this Resolution is to allow the entity to retain the flexibility to issue additional securities within the 15% capacity under Listing Rule 7.1 after this Resolution is adopted.

If Resolution 4 is passed, the Performance Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number off equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Performance Options.

If Resolution 4 is not passed, the Performance Options will be included in calculating the Company's 15% limit in 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 the Performance Options.

In accordance with the disclosure requirement of ASX Listing Rule 7.5, the Company advises as follows in respect of the Performance Options:

- (a) **Size of Issue** – a total of 4,349,229 Performance Options were issued.
- (b) **Consideration** – the Performance Options were issued for nil cash consideration but in satisfaction of extending its collaboration with the Company.

- (c) **Terms of Performance Options** – the terms of the Performance Options are set out in Schedule A.
- (d) **Date of issue** – all Performance Options were issued on 21 July 2020.
- (e) **Allottees** – the Performance Options were issued to the Mayo Clinic and or its nominees.
- (f) **Funds Raised** – funds were not raised from the issue of the Performance Options as the Performance Options were issued as part of the fee payable for the Mayo Clinic extending its collaboration with the Company.

5. RESOLUTION 5 – RATIFICATION OF ISSUE OF PLACEMENT SECURITIES – LR 7.1

On 11 August 2020, the Company issued 922,215 Shares (**Placement Shares**) over and above the original placement announced to the market in June 2020 to whom it believes are long term supporters of the Company and are sophisticated and institutional investors to raise approximately A\$82,999.35, none of whom were related parties of the Company.

Proceeds were to be used to strengthen the Company's balance sheet and to accelerate the commercial rollout of its proprietary digital pregnancy monitoring platform, HeraCARE. For more information please refer to ASX Announcement dated 5 August 2020.

The Placement Shares were issued pursuant to ASX Listing Rule 7.1.

For a summary of Listing Rules 7.1 and 7.4 please see page 8 and section 4 above.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of all the Placement Shares issued pursuant to ASX Listing Rule 7.1 (**7.1 Ratification**).

Each of the above stated recipients of Placement Shares issued pursuant to ASX Listing Rule 7.1 is hereafter referred to as the 7.1 Placement Allottees.

If Resolution 5 is passed, the Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing 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.

If Resolution 5 is not passed, the Placement Shares will be included in calculating the Company's 15% limit in 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 the Placement Shares.

In accordance with the disclosure requirement of ASX Listing Rule 7.5, the Company advises as follows in respect of the 7.1 Ratification:

- (a) **Size of Issue** – an aggregate of 922,215 Placement Shares the subject of Resolution 5 were issued to the 7.1 Placement Allottees.
- (b) **Issue Price** - \$0.09 per Placement Share.
- (c) **Terms of Placement Shares** – the terms of the Placement Shares are identical to the terms of issue of all other Shares and each Placement Share will rank equally with all other Shares.
- (d) **Date of issue** – all Placement Shares that are subject of Resolution 5 were issued on 11 August 2020.
- (e) **Allottees** – each 7.1 Placement Allottee was either a sophisticated or institutional investor as named above in Paragraph 5. In accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial shareholders of the Company, advisers of the Company or an associate of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company.
- (f) **Funds Raised** – the Company has received approximately \$82,999.35 million as a result of the issue of the Placement Shares that are the subject of Resolution 5.

6. RESOLUTION 6 – RATIFICATION OF ISSUE OF ADVISOR OPTIONS – LR 7.1

On 14 August 2020, pursuant to the mandate as set out in the notice of AGM released 12 June 2020 (**2020 AGM Notice**), the Company engaged Henslow Pty Ltd to act as lead manager to the capital raising the subject of Resolutions 5, 6 and 9 of the 2020 AGM notice and had agreed to issue 3,672,419 Advisor Options in part consideration for services provided by Henslow Pty Ltd. The proposed issue of the Advisor Options will be in addition to the payment by the Company of capital raising fees of 6% of funds received in connection with the placement in June 2020 and had also agreed to pay Henslow a retainer fee of

\$8,000 (plus GST) payable for an initial period of six (6) months after the completion of the issue of the placement in June 2020.

Henslow Pty Ltd and or its nominees are not a related party of the Company. 1,350,000 of the 3,672,419 Advisor Options were issued by utilising the Company's existing capacity under Listing Rule 7.1.

For a summary of Listing Rules 7.1 and 7.4 please see page 8 and section 4 above.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of all the 1,350,000 Advisor Options issued pursuant to ASX Listing Rule 7.1 (**7.1 Ratification**).

If Resolution 6 is passed, the Advisor Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Advisor Options.

If Resolution 6 is not passed, the Advisor Options will be included in calculating the Company's 15% limit in 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 the Advisor Options.

In accordance with the disclosure requirement of ASX Listing Rule 7.5, the Company advises as follows in respect of the 7.1 Ratification:

- (a) **Size of Issue** – a total of 1,350,000 Advisor Options were issued.
- (b) **Consideration** – the Advisor Options were issued for nil cash consideration but in satisfaction of acting as lead manager to capital raising the subject of Resolutions, 5, 6 and 9 of the 2020 AGM Notice.
- (c) **Terms of Advisory Options** – the terms of the Advisory Options are set out in Schedule B;
- (d) **Date of issue** – all Advisory Options were issued on 14 August 2020.
- (e) **Allotees** – the Advisory Options were issued to Henslow Pty Ltd and or its nominees.
- (f) **Funds Raised** – funds were not raised from the issue of the Advisory Options as the Advisory Options were issued in satisfaction of Henslow Pty Ltd acting as lead manager to a capital raising the subject of Resolutions, 5, 6 and 9 of the 2020 AGM Notice.

7. RESOLUTION 7 – RATIFICATION OF ISSUE OF SHARES – LR 7.1

On 7 September 2020, as part consideration for Mayo Clinic extending its collaboration with the Company, the Company issued 2,767,691 Shares to the Mayo Clinic, who is not a related party of the Company. For more information, please refer to ASX announcement dated 21 July 2020.

The Shares were issued pursuant to ASX Listing Rule 7.1.

For a summary of Listing Rules 7.1 and 7.4 please see page 8 and section 4 above.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of all the Shares issued pursuant to ASX Listing Rule 7.1 (**7.1 Ratification**).

If Resolution 7 is passed, the Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Shares.

If Resolution 7 is not passed, the Shares will be included in calculating the Company's 15% limit in 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 the Shares.

In accordance with the disclosure requirement of ASX Listing Rule 7.5, the Company advises as follows in respect of the 7.1 Ratification:

- (a) **Size of Issue** – an aggregate of 2,767,691 Shares the subject of Resolution 7 were issued;
- (b) **Consideration** – funds were not raised from the issue of the Shares as the Shares were issued in part satisfaction of the Mayo Clinic extending its collaboration with the Company.
- (c) **Terms of Shares** – the terms of the Shares are identical to the terms of issue of all other Shares and each Share will rank equally with all other Shares.
- (d) **Date of issue** – all Shares that are subject of Resolution 7 were issued on 7 September 2020.
- (e) **Allotee** – the Shares were allotted to the Mayo Clinic and or its nominee.
- (f) **Funds Raised** – funds were not raised from the issue of the Shares as the Shares were issued in satisfaction of the Mayo Clinic extending its collaboration with the Company.

8. RESOLUTION 8 – APPROVAL FOR ISSUE OF OPTIONS – PLACEMENT

8.1 General

Resolution 8 seeks Shareholder approval for the issue of 8,638,055 Options for nil consideration to subscribers in the placement announced on ASX on 4 February 2021 based on one (1) Option for every three (3) Shares subscribed for and issued (**Option Placement**). The Options have an exercise price of \$0.20 and an expiry date of one (1) year from date of issue.

As summarised in section 4 above, 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 issue at the start of that period. The proposed issue of the Options the subject of Resolution 8 does not fall within any of these exceptions and exceeds the 15% limit 12 in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the Option Placement. In addition, the issue of the Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the Option Placement at this point in time and the issue of the Options would likely be made at a later date when the Company has placement capacity to do so.

8.2 Technical Information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the Options will be issued to professional and sophisticated investors who participated in the Placement. The recipients were identified through a bookbuild process, which involved PAC Partners Securities Pty Ltd seeking expressions of interest to participate in the capital raising from non-related parties of the Company. None of the recipients are related parties of the Company;
- (b) the maximum number of Options to be issued is 8,638,055;
- (c) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the issue price of the Options will be nil as they will be issued free attaching to the Shares the subject of the Placement on a one-for three basis;
- (e) the Options will be issued to those entities or persons that participated in the Placement on the basis of 1 Option from every 3 Shares subscribed for and issued;
- (f) the Options will be issued on the terms and conditions set out in Schedule C; and
- (g) no funds will be raised from the Option Placement as the Options will be issued for nil consideration, free-attaching (on a one-for three basis) to the Shares the subject of the Placement.

9. RESOLUTION 9 - APPROVAL OF ISSUE OF ADVISORY OPTIONS – PLACEMENT

Pursuant to a capital raising mandate between the Company and PAC Partners Securities Pty Ltd (**PAC Partners**) dated on or about February 2021 (**Mandate**), the Company has agreed to issue to PAC Partners or its nominees (**Resolution 9 Allottees**) 1,000,000 unlisted options exercisable at \$0.20 each expiring on or before 1 year from the date of issue (**Advisor Options**).

Pursuant to the Mandate, the Company agreed to issue the Advisor Options in part consideration for services provided by PAC Partners. The proposed issue of the Advisor Options will be in addition to the payment by the Company of capital raising fees of 6% of funds received in connection with the placement in February 2021.

If Resolution 9 is passed, the Company will be able to proceed with the issue of the Advisor Options. In addition, the issue of the Advisor Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of the Advisor Options at this point in time and the issue of the Advisor Options would likely be made at a later date when the Company has placement capacity to do so.

In accordance with the disclosure requirement of ASX Listing Rule 7.3, the Company advises as follows in respect of the Advisor Options:

- (a) **Maximum Size of Issue** – a total of 1,000,00 Advisor Options the subject of Resolution 9 are proposed to be issued to the Resolution 9 Allottees.
- (b) **Date of Issue** – subject to Shareholders approving Resolution 9, all 1,000,000 Advisor Options the subject of Resolution 9 will be issued to PAC Partners or its nominee(s) promptly after the close of the Meeting, and in any event prior to the expiry of 3 months after the date of the Meeting.
- (c) **Issue Price** - no cash consideration has been or will become payable to the Company as a result of the issue of any Advisor Options referred to in Paragraph 9. The Advisor Options the subject of Resolution 9 are proposed to be issued to the Resolution 9 Allottees in consideration for the provision of professional services by those Resolution 9 Allottees in connection with the issue of the Placement Shares.
- (d) **Persons to whom the Advisor Options will be issued** – the Resolution 9 Allottees, as referred to above in this Paragraph 9.
- (e) **Terms of Advisor Options** – the main terms of the Advisor Options are (Schedule C sets out the full terms of the Advisor Options):
 - (i) Term: expiring 1 year after the date of issue;
 - (ii) Exercise Price per Advisor Option: A\$0.20, payable in full upon exercise;
 - (iii) Exercise ratio: one Share for each Advisor Option validly exercised; and
 - (iv) Vesting: the Advisor Options are fully vested upon being issued.
- (f) **Intended use of Funds Raised** – no funds will be raised as a result of the proposed issue of the Advisor Options.

10. RESOLUTION 10 – APPROVAL OF 10% PLACEMENT CAPACITY

10.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital (**10% Placement Capacity**).

The Company is an Eligible Entity. If Shareholders approve this Resolution, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in below).

The effect of this Resolution will be to allow the Company to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

This Resolution is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

10.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company has a market capitalisation of ~\$22,000,000. The Company is an Eligible Entity.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has only 1 class of quoted Equity Securities on issue, being 175,953,089 Shares (ASX Code: HMD).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

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

Where:

- A** is the number of shares on issue at the commencement of the relevant period:

- (A) plus the number of fully paid Shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- (B) plus the number of fully paid Shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) 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;
- (C) plus the number of fully paid Shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the relevant period; or
 - (ii) the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
- (D) plus the number of partly paid Shares that became fully paid in the relevant period;
- (E) plus the number of fully paid Shares issued in the relevant period with approval under Listing Rules 7.1 and 7.4; and
- (F) less the number of fully paid Shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E 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.

10.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in (i) above, the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) the date that is 12 months after the date of the meeting at which the approval is obtained;
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid), (**10% Placement Capacity Period**).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue. If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below. The table shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2 and on the assumptions set out below the table.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A.2)	DILUTION			
	Issue Price (per Share)	\$0.06 50% decrease in Issue Price	\$0.12 Issue Price	\$0.24 100% increase in Issue Price
175,953,089 (Current Variable A)	Shares issued - 10% voting dilution	17,595,308 shares	17,595,308 shares	17,595,308 shares
	Funds raised	\$1,055,718	\$2,111,436	\$4,222,873
263,929,633 (50% increase in Variable A)	Shares issued - 10% voting dilution	26,393,963 shares	26,393,963 shares	26,393,963 shares
	Funds raised	\$1,583,637	\$3,167,275	\$6,334,551
351,906,178 (100% increase in Variable A)	Shares issued - 10% voting dilution	35,190,617 shares	35,190,617 shares	35,190,617 shares
	Funds raised	\$2,111,437	\$4,222,874	\$8,445,748

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are 175,953,089 Shares on issue as at the date of this Notice.
2. The issue price set out above is the closing price of Shares on ASX on Monday, 19 April 2021, being \$0.12.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1 or 7.4.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares and it is assumed that no Options are exercised into Shares before the date of issue of the Shares.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to by reason of placements under the 10% Placement Capacity. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Shareholders should note that there is a risk that:

- (i) the market price for Shares may be significantly lower on the issue date than on the date of the Meeting; and

- (ii) Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for cash consideration. The Company intends to use such funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and operation of the Company's current assets and/or general working capital.

(e) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company. The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the Control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of the Notice but may include existing Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 14 July 2020 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 14 July 2020, the Company has not issued any Equity Securities pursuant to the Previous Approval.

(g) **Compliance with ASX Listing Rules 7.1A.4**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4.

10.4 Voting Exclusion

A voting exclusion statement is included in this Notice.

At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities under the 10% Placement Facility. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

11. RECOMMENDATIONS

The Directors believe that the above proposals are in the best interest of the Company and, save where otherwise stated, unanimously recommend that shareholders vote in favour of the Resolutions to be proposed at the Company's annual general meeting.

12. ENQUIRIES

Shareholders are required to contact the Company Secretary via email to jonathan@hera-med.com if they have any queries in respect of the matters set out in this Notice.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 8.1 of the Explanatory Statement.

Admission means admission of the Company to the official list of ASX.

AGM or **Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Auditor means the auditor of the Company.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

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

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or 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 dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means HeraMED Limited (ACN 626 295 314).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

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 the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice Annual General of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report.

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

Security means a security issued or to be issued in the capital of the Company, including a Share or an Option.

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

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the calculation in Section 8.2 of the Explanatory Statement.

Trading Day means a day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day and any other day that ASX may declare and publish is not a trading day.

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

SCHEDULE A – TERMS AND CONDITIONS OF PERFORMANCE OPTIONS

- a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- b) **Exercise Price:** Subject to paragraph d) and (j), the amount payable upon exercise of each Option will be \$nil (**Exercise Price**).
- c) **Expiry Date:** Each Option will expire at 5:00 pm (AEST) on or before two years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) **Exercise Period:** Subject to meeting the following milestones:
- 1,186,153 Options – exercisable upon the successful completion of the HeraCARE pilot and upon acceptance of a proof of a concept by the Mayo Clinic;
 - 1,581,538 Options – exercisable upon FDA clearance of HeraBEAT Plus for home care; and
 - 1,581,538 Options – exercisable upon the commercial launch of the HeraCare Platform and when the HeraCARE Platform is generating its first revenues,
- are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- e) **Notice of Exercise:** Subject to compliance with d) above, the Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.
- f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
- i. allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - ii. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - iii. if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company. Quotation of Shares issued on exercise if admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- i) **Reconstruction of capital:** Subject to the Corporations Act and the ASX Listing Rules at the time of reconstruction, upon any sub-division or consolidation of the Shares or reduction of share capital, the number of Shares to be subscribed on any subsequent exercise of the Options will be increased or reduced in due proportion so as to maintain the same relative subscription rights for the Options and the Exercise Price will be adjusted accordingly.
- j) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- l) **Not Quoted:** The Company will not apply for quotation of the Options on ASX.
- m) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE B - TERMS AND CONDITIONS OF ADVISORY OPTIONS

- a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- b) **Exercise Price:** Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.20 (**Exercise Price**).
- c) **Expiry Date:** Each Option will expire at 5:00 pm (AEST) on or before two years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- e) **Notice of Exercise:** Subject to compliance with d) above, the Options may be exercised during the Exercise Period by notice inwriting to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.
- f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
 - i. allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - ii. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - iii. if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company. Quotation of Shares issued on exercise if admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- i) **Reconstruction of capital:** Subject to the Corporations Act and the ASX Listing Rules at the time of reconstruction, upon any sub-division or consolidation of the Shares or reduction of share capital, the number of Shares to be subscribed on any subsequent exercise of the Options will be increased or reduced in due proportion so as to maintain the same relative subscription rights for the Options and the Exercise Price will be adjusted accordingly.
- j) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- l) **Not Quoted:** The Company will not apply for quotation of the Options on ASX.
- m) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE C - TERMS AND CONDITIONS OF PLACEMENT AND ADVISORY OPTIONS

- a) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- b) **Exercise Price:** Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.20 (**Exercise Price**).
- c) **Expiry Date:** Each Option will expire at 5:00 pm (AEST) on or before one year from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- d) **Exercise Period:** The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).
- e) **Notice of Exercise:** Subject to compliance with d) above, the Options may be exercised during the Exercise Period by notice inwriting to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised by electronic funds transfer or other means of payment acceptable to the Company.
- f) **Exercise Date:** A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).
- g) **Timing of issue of Shares on exercise:** Within 15 Business Days after the Exercise Date, the Company will:
 - i. allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - ii. if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - iii. if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options. If a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
- h) **Shares issued on exercise:** Shares issued on exercise of the Options rank equally with the then issued shares of the Company. Quotation of Shares issued on exercise if admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.
- i) **Reconstruction of capital:** Subject to the Corporations Act and the ASX Listing Rules at the time of reconstruction, upon any sub-division or consolidation of the Shares or reduction of share capital, the number of Shares to be subscribed on any subsequent exercise of the Options will be increased or reduced in due proportion so as to maintain the same relative subscription rights for the Options and the Exercise Price will be adjusted accordingly.
- j) **Participation in new issues:** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- k) **Change in exercise price:** An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
- l) **Not Quoted:** The Company will not apply for quotation of the Options on ASX.
- m) **Transferability:** The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **2.00pm (AEST) on Saturday, 29 May 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/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
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WECHAT:

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

PHONE: 1300 288 664 (Within Australia)

+61 2 9698 5414 (Overseas)

STEP 1 - How to vote

APPOINT A PROXY:

I/We being a Shareholder entitled to attend and vote at the Annual General Meeting of Heramed Limited, to be held at **2.00pm (AEST) on Monday, 31 May 2021 at Automic Group, Level 5, 126 Phillip St, Sydney NSW 2000** hereby:

Appoint the Chair of the Meeting (Chair) OR if you are not appointing the Chair of the Meeting as your proxy, please write in the box provided below the name of the person or body corporate you are appointing as your proxy or failing the person so named or, if no person is named, the Chair, or the Chair’s nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit and at any adjournment thereof.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

Unless indicated otherwise by ticking the “for,” “against” or “abstain” box you will be authorising the Chair to vote in accordance with the Chair’s voting intention.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

STEP 2 – Your voting direction

Resolutions	For	Against	Abstain
1. Adoption Of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Election Of Director – Tal Slonim	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election Of Director – Mr Doron Birger	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification Of Issue Of Performance Options – Lr 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification Of Issue Of Placement Shares – Lr 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification Of Issue Of Advisor Options – Lr 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Ratification Of Issue Of Shares – Lr 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Approval Of Issue Of Options – Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Approval Of Issue Of Advisory Options – Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Approval Of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 – Signatures and contact details

Individual or Securityholder 1 <div style="border: 1px solid black; height: 25px; width: 100%;"></div> <small>Sole Director and Sole Company Secretary Contact Name:</small> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	Securityholder 2 <div style="border: 1px solid black; height: 25px; width: 100%;"></div> <small>Director</small> Contact Name: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	Securityholder 3 <div style="border: 1px solid black; height: 25px; width: 100%;"></div> <small>Director / Company Secretary</small> Contact Name: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>
<small>Contact Daytime Telephone:</small> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
<small>Date (DD/MM/YY)</small> <div style="display: flex; justify-content: space-around;"><div style="border: 1px solid black; width: 30px; height: 20px;"></div> / <div style="border: 1px solid black; width: 30px; height: 20px;"></div> / <div style="border: 1px solid black; width: 30px; height: 20px;"></div></div>		

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).