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**VONEX LIMITED**

**ACN 063 074 635**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 11:00am (AEST)

**DATE:** Monday, 29 November 2021

**PLACE:** Ground Floor, 303 Coronation Dr, Milton QLD 4064

In accordance with the *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*, the Company will not be sending hard copies of the Notice of Meeting (Notice) to shareholders unless a shareholder has requested a hard copy. The Notice can be viewed and downloaded from the Company's website at: [www.vonex.com.au](http://www.vonex.com.au).

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 on (+61 8) 9486 4036.

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## IMPORTANT INFORMATION

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### TIME AND PLACE OF MEETING

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Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (AEST) on Monday, 29 November 2021 at the Ground Floor, 303 Coronation Dr, Milton QLD 4064.

### YOUR VOTE IS IMPORTANT

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

### VOTING ELIGIBILITY

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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 11:00am (AEST) on Saturday, 27 November 2021.

### VOTING IN PERSON

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

### VOTING BY PROXY

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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, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member 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.

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### **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 (i.e. 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 (i.e. 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 (i.e. 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;
  - 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.

### **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 Resolution 1 if the person is either:

- a member of the Key Management Personnel of the Company; or
  - a Closely Related Party of such a member, and
- the appointment does not specify the way the proxy is to vote on Resolution 1.

However, the prohibition does not apply if the proxy is the Chair and the appointment expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

### **VOTING VIA POLL**

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All Resolutions under this Notice will be determined by poll.

### **SUBMITTING QUESTIONS**

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Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at [dan@vonex.com.au](mailto:dan@vonex.com.au) by 5:00 pm (AEST) on Friday, 26 November 2021.

Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. Shareholders are limited to a maximum of two questions each (including any submitted in advance of the Meeting).

The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their shareholding and the number of Shares they hold).

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## BUSINESS OF THE MEETING

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### AGENDA

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#### ORDINARY BUSINESS

##### Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the auditor's report.

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#### 1. 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 purpose 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 30 June 2021."*

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

##### Voting Exclusion Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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#### 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR CHEN CHIK (NICHOLAS) ONG

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 13.2 of the Constitution and for all other purposes, Mr Chen Chik (Nicholas) Ong, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

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### 3. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR DAVID VILENSKY

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 13.2 of the Constitution and for all other purposes, Mr David Vilensky, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

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### 4. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – ADVISOR SHARES

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, the Shareholders ratify the prior issue of 488,475 Shares 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 participated in the issue or is a counterparty to the agreement being approved (namely TCA Partners) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the Resolution by:

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 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:
  - (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.

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### 5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE – EMPLOYEE SHARES

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, the Shareholders ratify the prior issue of 150,000 Shares on the terms and conditions set out in the Explanatory Statement."*

#### **Voting Exclusion Statement:**

Under Listing Rule 14.11, the Company will disregard any votes cast on this Resolution in favour of or on behalf of the following persons:

- (a) Mr Dallas Thomas (or his nominee); or
- (b) an associate of 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 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:
  - (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.

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## 6. RESOLUTION 6 – RATIFICATION OF SHARES ISSUED TO S3 CORPORATION PTY LTD

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, the Shareholders ratify the prior issue of 1,818,182 Shares issued pursuant to ASX Listing Rule 7.1, at a deemed issue price of 11 cents per Share to S3 Corporation Pty Ltd, on the terms and conditions set out in the Explanatory Statement."*

### **Voting Exclusion Statement:**

Under Listing Rule 14.11, the Company will disregard any votes cast on this Resolution in favour of or on behalf of the following persons:

- (a) S3 Corporation Pty Ltd (or their nominee); or
- (b) an associate of S3 Corporation Pty Ltd.

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 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:
  - (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.

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## 7. RESOLUTION 7 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES

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

*"That, for the purpose 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 (at the time of the 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:** The Company will disregard any votes cast in favour of the Resolution by or on behalf of 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, if the Resolution is passed and any associates of those persons.

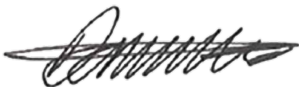
However, this does not apply to a vote cast in favour of a resolution by:

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

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**DATED: 28 OCTOBER 2021**

**BY ORDER OF THE BOARD**



**DANIEL SMITH**

**COMPANY SECRETARY**



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## EXPLANATORY STATEMENT

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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 which are the subject of the business of the Meeting.

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### 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 30 June 2021 together with the declaration of the directors, the Directors' Report, the Remuneration Report and the 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 on its website at <https://investors.vonex.com.au/asx-announcements/> or by contacting the Company on (08) 9486 4036.

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### 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 the financial year ended 30 June 2021.

The Chair of the meeting will allow a reasonable opportunity for Shareholders to ask questions about or make comments on the Remuneration Report at the 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 (other than the managing director) who were in office at the date of approval of the applicable directors' report (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report 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 or re-election as directors of the Company 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 were less than 25%. Accordingly, the resolution for the re-election of the Board is not relevant for this Meeting.

## **2.4 Chair voting undirected proxies**

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

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## **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR CHEN CHIK (NICHOLAS) ONG**

Clause 13.2 of the Constitution requires that 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, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

The Company currently has five (5) Directors. As one of the five directors is the Managing Director, the two (2) directors longest in office since their last election retire by rotation and seek re-election. Mr Ong last retired by rotation at the Company's 2018 AGM.

The Board (other than Mr Ong) unanimously supports the re-election of Mr Ong pursuant to Resolution 2.

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## **4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – MR DAVID VILENSKY**

Clause 13.2 of the Constitution requires that 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, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

The Company currently has five (5) Directors. As one of the five directors is the Managing Director, the two (2) directors longest in office since their last election

retire by rotation and seek re-election. Mr Vilensky last retired by rotation at the Company's 2019 AGM.

The Board (other than Mr Vilensky) unanimously supports the re-election of Mr Vilensky pursuant to Resolution 3.

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## **5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – ADVISOR SHARES**

### **5.1 Background**

The Company announced on 19 October 2021 that it had issued 488,475 ordinary shares to TCA Partners Pty Ltd (**TCA**), an advisor to the Company, in lieu of cash fees (**Advisor Shares**) pursuant to the Company's ASX Listing Rule 7.1 Capacity (**Resolution 4**).

The agreement with TCA is for the provision of corporate advisory services relating to the introduction of and facilitation of potential acquisitions (**Advisory Agreement**). Pursuant to the Advisory Agreement, TCA invoices for their services based on an hourly rate. The term of the Advisory Agreement is for a period of 12-months. The Advisory Agreement otherwise contains terms and conditions that are standard for an agreement of its nature.

### **5.2 ASX Listing Rule Requirements**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. The issue of the Advisor Shares does not fit within any of these exceptions as it has not yet been approved by shareholders.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

### **5.3 Technical information required by ASX Listing Rule 7.4**

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the ratification of the Advisor Shares:

- (a) number of securities issued: 488,475 Advisor Shares were issued to TCA Partners Pty Ltd, an adviser to the Company, pursuant to ASX Listing Rule 7.1;
- (b) the deemed issue price of the Advisor Shares was 13.97 cents per Share;
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Advisor Shares were issued on 19 October 2021; and
- (e) the Shares were issued at a nil cash issue price as they were issued to advisors of the Company in lieu of cash fees. The Shares were not issued pursuant to an Agreement.

A voting exclusion statement is included in the Notice.

If Resolution 4 is passed, the Issue will be excluded in calculating Vonex's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

If Resolution 4 is not passed, the Issue will be included in calculating Vonex's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

#### **5.4 Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4 as this will preserve the Company's 15% annual limit permitted by ASX Listing Rule 7.1.

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### **6. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE – EMPLOYEE SHARES**

#### **6.1 Background**

The Company announced on 19 October 2021 that it had issued 150,000 ordinary shares to Mr Dallas Thomas, and employee of the Company, as part of a performance review (Employee Shares) pursuant to the Company's ASX Listing Rule 7.1 Capacity (**Resolution 4**).

#### **6.2 ASX Listing Rule Requirements**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period. The issue of the Advisor Shares does not fit within any of these exceptions as it has not yet been approved by shareholders.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

#### **6.3 Technical information required by ASX Listing Rule 7.4**

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the ratification of the Advisor Shares:

- (a) number of securities issued: 150,000 Employee Shares were issued pursuant to ASX Listing Rule 7.1;
- (b) the Employee Shares were issued to Mr Dallas Thomas (or his nominee), an employee of the Company;
- (c) The Employee Shares were issued to Mr Thomas (or his nominee) as a one-off performance bonus;
- (d) the deemed issue price of the Employee Shares was 15 cents per Share;

- (e) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (f) the Employee Shares were issued on 19 October 2021; and
- (g) no funds were raised through the issue of the Employee Shares. The Shares were not issued pursuant to an Agreement.

A voting exclusion statement is included in the Notice.

If Resolution 5 is passed, the Issue will be excluded in calculating Vonex's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

If Resolution 5 is not passed, the Issue will be included in calculating Vonex's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

#### **6.4 Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5 as this will preserve the Company's 15% annual limit permitted by ASX Listing Rule 7.1.

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### **7. RESOLUTION 6 – RATIFICATION OF SHARES ISSUED TO S3 CORPORATION PTY LTD**

#### **7.1 Background**

The Company announced on 19 October 2021 that it had issued 1,818,182 ordinary shares at a deemed issue price of \$0.11 per share to a service provider in lieu of a cash payment (**Advisor Shares**). The Advisor Shares were issued to S3 Corporation Pty Ltd for the provision of investor relations and marketing services over a 12-month period. The Advisor Shares were issued out of the Company's ASX Listing Rule 7.1 capacity.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Advisor Shares, as set out below.

#### **7.2 ASX Listing Rule Requirements**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12-month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

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

#### **7.3 Technical information required by ASX Listing Rule 7.4**

In compliance with the information requirements of ASX Listing Rule 7.5, Shareholders are advised of the following in relation to the ratification of the Advisor Shares:

- (a) number of securities issued: 1,818,182 Advisor Shares were issued to S3 Corporation Pty Ltd pursuant to ASX Listing Rule 7.1;
- (b) the deemed issue price of the Advisor Shares was 11 cents per Share;
- (c) the Shares are ordinary fully paid shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- (d) the Shares were issued to S3 Corporation Pty Ltd, who is not a related party of the Company, for the provision of ongoing investor relations and marketing services to the Company.
- (e) the Advisor Shares were issued on 19 October 2021; and
- (f) the Shares were issued at a nil cash issue price as they were issued to advisors of the Company in lieu of cash fees. The Shares were not issued pursuant to an Agreement.

A voting exclusion statement is included in the Notice.

If Resolution 6 is passed, the Issue will be excluded in calculating Vonex's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

If Resolution 6 is not passed, the Issue will be included in calculating Vonex's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12 month period following the Issue Date.

#### **7.4 Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6 as this will preserve the Company's 15% annual limit permitted by ASX Listing Rule 7.1.

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### **8. RESOLUTION 7 - APPROVAL OF 10% PLACEMENT CAPACITY– SHARES**

#### **8.1 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 over a period of up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 7, 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 Section 8.2 below).

The effect of passing Resolution 7 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.

Resolution 7 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 Resolution 7 for it to be passed.

## 8.2 ASX Listing Rule 7.1A

### (a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

### (b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX: VN8).

### (c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of that annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

#### **(A x D) – E**

**A** is the number of fully paid ordinary shares on issue at the commencement of the relevant period,

- a. plus, the number of fully paid ordinary shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 and 17;
- b. plus the number of fully paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
  - 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 ordinary securities 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 ordinary securities that became fully paid in the relevant period ;
- e. less the number of fully paid ordinary securities 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** is the number of Equity Securities issued or agreed to be issued under Listing 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 Listing Rule 7.4; and

“relevant period” means the 12 month period immediately preceding the date of the issue or agreement.

(d) **Listing Rule 7.1 and Listing Rule 7.4**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 325,895,866 Shares and therefore has a capacity to issue:

- (i) 48,884,379 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 7, 32,589,586 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

(e) **Minimum Issue Price**

Any Equity Securities issued under Listing Rule 7.1A.2 must be in an existing quoted class of the Company's Equity Securities and issued for a cash consideration per security which is not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 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 by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

If approved, approval under this Listing Rule 7.1A commences on the date of the Company's Annual General Meeting and expires on the first to occur of the following:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the time and date of the Company's next Annual General Meeting; or
- (iii) the time and date of the approval by the Company's Shareholders of a transaction under Listing Rules 11.1.2 or 11.2 (disposal of main undertaking).

**(10% Placement Period).**

### **8.3 Listing Rule 7.1A**

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by



proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

#### 8.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 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 by the entity and the recipient of the Equity Securities; or
  - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of listed Options, only if the listed Options are exercised). There is a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than of the date of the approval under Listing Rule 7.1a; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice. The table shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% (rounded up) and increased by 100% as against the current market price.

Dilution example:

Variable "A" in Listing Rule 7.1A.2	Dilution			
		\$0.075 50% decrease in Issue Price	\$0.14 Issue Price	\$0.28 100% increase in Issue Price
	10% voting dilution	32,835,252	32,835,252	32,835,252

<b>Current Variable A - 328,352,523 Shares</b>	Funds raised	\$2,462,644	\$2,462,644	\$2,462,644
<b>50% increase in current Variable A - 492,528,784 Shares</b>	10% voting dilution	49,252,878	49,252,878	49,252,878
	Funds raised	\$6,895,403	\$6,895,403	\$6,895,403
<b>100% increase in current Variable A - 656,705,046 Shares</b>	10% voting dilution	65,670,504	65,670,504	65,670,504
	Funds raised	\$18,387,741	\$18,387,741	\$18,387,741

\*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. The current shares on issue are the Shares on issue as at 21 October 2021.
2. The issue price set out above is the closing price of the Shares on the ASX on 21 October 2021.
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.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. 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%.
8. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

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

The Company may only issue Equity Securities under the 10% Placement Capacity as cash consideration in which case the Company intends to use funds raised towards acquisition, marketing, development and for working capital purposes.

**(c) Allocation 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 purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(d) **Previous Approval under ASX Listing Rule 7.1A**

The Company did not seek approval from its Shareholders pursuant to Listing Rule 7.1A at its 2020 AGM. Accordingly, the Company did not issue any Equity Securities pursuant to Listing Rule 7.1A.

(e) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.3**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give ASX:

- (i) 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; and
- (ii) The information required by Listing Rule 3.10.3 for release to the market.

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. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

## **8.5 Directors' Recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

## **8.6 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 7.

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**9. ENQUIRIES**

Shareholders are required to contact the Company Secretary, Mr Dan Smith, on (+61 8) 9486 4036 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**10% Placement Capacity** has the meaning given to that term in section 8.1 of the Explanatory Statement.

**Annual Report** means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2021.

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

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Award** means a right to acquire Shares under the Incentive Plan, and includes an Option and a Performance Right.

**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)*.

**Company** means Vonex Ltd (ACN 063 074 635).

**Constitution** means the Company's constitution.

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

**Directors** means the current directors of the Company.

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**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.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

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

**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 Directors' Report section of the Company's annual financial report for the year ended 30 June 2021.

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

**Section means** a section contained in this Explanatory Statement.

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

**Shareholder** means a holder of a Share in the Company.

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

**AEDT** means Australia Western Standard Time as observed in Perth, Western Australia

**VWAP** means the volume weighted average price of trades in the Company's Shares on ASX as defined in Chapter 19 of the ASX Listing Rules.

## PROXY FORM

**APPOINTMENT OF PROXY  
VONEX LTD  
ACN 063 074 635**

### ANNUAL GENERAL MEETING

I/We

of

being a member of Vonex Ltd entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

☐

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given the Chairman intends to vote in favour of each item of business, and subject to the relevant laws as the proxy sees fit, at the Annual General Meeting to be held at 11:00am (AEST), on 29 November 2021 at the Ground Floor, 303 Coronation Dr, Milton QLD 4064 and at any adjournment thereof.

#### Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Chen Chik Ong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – David Vilensky	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Ratification of Prior Issue – Advisor Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Ratification of Prior Issue – Employee Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 – Ratification of Prior Issue – Advisor Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 – Approval of 10% Placement Facility	<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.

If two proxies are being appointed, the proportion of voting rights this proxy represents is

**Signature of Member(s):**

**Date:** \_\_\_\_\_ %

**Individual or Member 1**

**Sole Director/Company  
Secretary**

**Member 2**

**Director**

**Member 3**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

**Instructions for Completing 'Appointment of Proxy' Form**

1. **(Appointing a Proxy):** A member entitled to attend and cast a vote at an Annual General Meeting is entitled to appoint a proxy to attend and vote on their behalf at the meeting. If the member is entitled to cast 2 or more votes at the meeting, the member may appoint a second proxy to attend and vote on their behalf at the meeting. However, where both proxies attend the meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A member who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a member appoints 2 proxies and the appointments do not specify the proportion or number of the member's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
  - **(Individual):** Where the holding is in one name, the member must sign.
  - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
  - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Vonex Limited, PO Box 5638, St Georges Tce, Perth WA 6831; or
  - (b) facsimile to the Company on facsimile number (+61 8) 9486 4799; or
  - (c) email to the company secretary at [dan@vonex.com.au](mailto:dan@vonex.com.au),so that it is received not less than 48 hours prior to commencement of the Meeting.  
**Proxy forms received later than this time will be invalid.**