

ARTRYA

ARTRYA LIMITED

ACN 624 005 741

NOTICE OF 2022 ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Date of Meeting

Monday, 14 November 2022

Time of Meeting

11:00am Australian Western Standard Time (AWST)

Place of Meeting

The meeting is to be held at

Artrya Limited, 1257 Hay Street West Perth Western Australia 6005

A Proxy Form is enclosed

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

Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice.

ARTRYA LIMITED ACN 624 005 741

Notice of Annual General Meeting

Notice is hereby given that the 2022 annual general meeting of shareholders of Artrya Limited (**Company**) will be held at Artrya Limited, 1257 Hay Street, West Perth Western Australia 6005 on Monday, 14 November 2022 commencing at 11:00am (AWST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

AGENDA

ITEMS OF BUSINESS

Item 1 – Financial statements and reports

To receive and to consider the financial statements and the reports of the Directors and Auditors for the year ended 30 June 2022.

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

Item 2 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, pass the following resolution as a non-binding resolution:

"That for the purposes of Section 250R(2) of the Corporations Act, the Company adopts the Remuneration Report for the year ended 30 June 2022 as set out in the 2022 Annual Report."

Voting exclusion statement: The Company will disregard any votes cast on the Resolution by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties. However, the Company need not disregard a vote if:

- a. it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution; or
- b. the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the Resolution and expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

Item 3 – Election of Jacque Sokolov as Director

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

"That Jacque Sokolov, having been appointed as a Director of the Company on 1 August 2022 and being eligible for election, in accordance with rule 9.1(c) of the constitution of the Company and ASX Listing Rule 14.4, be hereby elected as a Director of the Company."

Item 4 – Grant of Performance Rights to Managing Director – John Barrington AM

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

"That, in accordance with ASX Listing Rule 10.14 and for all other purposes, shareholders approve the issue by the Company of 439,815 Performance Rights to John Barrington (or his nominee) in accordance with the terms of the Incentive Awards Plan, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Voting exclusion statement:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a. a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question; or
- b. any Associates of those persons.

However, this does not apply to a vote cast in favour of the 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 General 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:
- d. 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
- e. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting prohibition statement: A person appointed as a proxy must not vote on the basis of that appointment, on this Resolution if:

- a. the proxy is either a member of the Key Management Personnel or a Closely Related Party of such a member; and
- b. 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 chair and the appointment 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.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting. If any of the persons named above purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and those persons may be liable for breaching the voting restrictions that apply to them under the Corporations Act.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

By order of the Board

Kevin Hart

Company Secretary

Dated: 13 October 2022

Important Information - Voting

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 11:00am (AWST) on Monday, 14 November 2022 at Artrya Limited, 1257 Hay Street West Perth Western Australia 6005.

The Directors have determined that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Saturday, 12 November 2022 at 11:00am (AWST).

How to Vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Voting in person (or by attorney)

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded. To be effective a certified copy of the Power of Attorney, or the original Power of Attorney, must be received by the Company in the same manner, and by the same time as outlined for proxy forms below.

Voting by a Corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).
- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Items 2 and 4 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. These rules are explained in this Notice.

- To be effective, proxies must be received by 11:00am (AWST) on Saturday, 12 November 2022. Proxies received after this time will be invalid.
- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the address below, or by facsimile, and by 11:00am (AWST) on Saturday, 12 November 2022. If facsimile transmission is used, the Power of Attorney must be certified.

Proxies may be lodged using any of the following methods:

By internet:

Log on to www.investorvote.com.au and use control number: 181559

If you are a custodian and an Intermediary Online subscriber, you can log on to www.intermediaryonline.com

By post:

Computershare Investor Services Pty Limited,
GPO Box 242,
Melbourne Victoria 3001 Australia

By fax: (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 11:00am (AWST) on Saturday, 12 November 2022.

Shareholder Questions

At the Meeting

In accordance with the Corporations Act, a reasonable opportunity will be given to Shareholders, as a whole, to ask questions or make comments on the management of the Company at the Meeting.

Additionally, an opportunity will be given to Shareholders, as a whole, at the Meeting, to ask the Company's Auditor questions relevant to the conduct of the audit, the preparation and content of the Auditor's report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the Auditor in relation to the conduct of the audit. The Auditor is not obliged to provide written answers.

Shareholders unable to attend

Shareholders who are unable to attend the Meeting or who may prefer to register questions in advance are invited to do so by submitting written questions to: investors@artrya.com. To allow time to collate questions and prepare answers, please submit any questions by 11:00am (AWST) on Monday, 7 November 2022 (being no later than the fifth business day before the Meeting is held). Questions will be collated and, during the Meeting, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the Meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

Technical difficulties

Technical difficulties may arise during the course of the Meeting. The Chair of the Meeting has discretion as to whether and how the Meeting should proceed in the event that a technical difficulty arises. In exercising this discretion, the Chair will have regard to the number of Shareholders impacted and the extent to which participation in the business of the Meeting is affected. Where the Chair considers it appropriate, the Chair may continue to hold the Meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions.

Explanatory Memorandum

This Explanatory Memorandum has been prepared to help Shareholders understand the business to be put to Shareholders at the forthcoming Meeting.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice.

The Chair of the Meeting intends to vote all available undirected proxies in favour of each resolution.

A Proxy Form is annexed at the end of this Explanatory Memorandum.

Background to Items of Business

Item 1 – Discussion of Financial Statements and Reports

In accordance with section 317(1) of the Corporations Act, the:

- reports of the Directors and Auditors; and
- annual financial report, including the financial statements of the Company for the financial year ended 30 June 2022, must be laid before the Meeting. There is no requirement for Shareholders to approve the reports or statements.

At the Meeting, Shareholders will be offered the opportunity to:

- a. discuss the Annual Report which contains each of the reports and statements noted above;
- b. ask questions about, or comment on, the management of the Company; and
- c. ask the auditor questions about the conduct of the audit, the preparation and content of the Auditor's Report; and
- d. any questions as to the independence of the Auditor of the Company in relation to the conduct of the Audit.

The Chair will also allow a reasonable opportunity for the Auditor or their representative to answer any written questions submitted to the Auditor under section 250PA of the Corporations Act.

Item 2 – Non-Binding Resolution to adopt Remuneration Report

Section 250R(2) of the Corporations Act requires the Company to put to its Shareholders a resolution that the Remuneration Report as disclosed in the Company's 2022 Annual Report be adopted. The Remuneration Report is set out in the Company's 2022 Annual Report and is also available on the Company's website (<http://artrya.com/>).

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

Under the Corporations Act, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings (two "strikes"), the Company will be required to put a resolution to the second Annual General Meeting (Spill Resolution), to approve calling a general meeting (Spill Meeting). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second Annual General Meeting. All of the Directors who were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors.

This is the first year that Shareholders have been required to consider the remuneration report, as Artrya is now listed on ASX. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders, however it will result in a "first strike".

The Remuneration Report explains the Company's policies in relation to the nature and level of remuneration paid to Key Management Personnel including the Directors, sets out remuneration details for each Key Management Personnel and Director and any service agreements and sets out the details of any equity based compensation.

The Chair will give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Note that a voting exclusion applies to this Resolution in the terms set out in the Notice.

Shareholders are urged to carefully read the Proxy Form and provide a direction to the proxy on how to vote on this Resolution.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report. The Chair of the meeting intends to vote all available proxies in favour of Resolution 2.

Item 3 – Election of Dr Jacques Sokolov as Director

Dr Jacques Sokolov was appointed as an addition to the Board on 1 August 2022. Rule 9.1(b) of the Constitution provides the Directors may appoint any person as a Director. Under rule 9.1(c), any Director appointed by the Board under rule 9.1(b) who is not a managing director, holds office until the conclusion of the next annual general meeting following his or her appointment. Accordingly, Dr Sokolov is seeking election as a Director of the Company at the Meeting.

Details of the qualifications and experience of Dr Jacques Sokolov are set out below:

Dr Jacques Sokolov – Non-Executive Director

Dr Sokolov has a significant breadth of experience across all aspects of the US healthcare industry, in particular healthcare delivery, biotechnology, and regulatory clearance. Dr Sokolov received his BA and MD Degrees from the University of Southern California and completed his internal medicine residency at the Mayo Graduate School of Medicine followed by his fellowship in cardiovascular diseases/nuclear cardiology from the University of Texas Southwestern Medical School. He was appointed Artrya Clinical Advisory Board Chair in January 2022 and Chairman and President of Artrya USA Inc. in March 2022.

Dr. Sokolov is Chairman and Chief Executive Officer of SSB Solutions, Inc., a US diversified healthcare management, development, and financial services company. His company has worked with more than 100 healthcare organisations across multiple US healthcare sectors to develop physician-driven, value-focused solutions in rapidly evolving markets.

He currently serves on multiple public, private and not-for-profit healthcare boards. He is especially focused on leading technology involving advanced digital health and next generation genetic-based companies. Over the last 3 years, he has held board appointments in the following US listed companies:

- Lucid Diagnostics, Inc. (NASDAQ: LUCD) 2021–Present Chairman – Compliance & Quality Committee Member – Audit & Compensation Committees
- MedCath Corporation (NASDAQ: MDTH) 2004–2021 Chairman – Compliance/Quality Committee

Directors' recommendation

The Directors (other than Dr Sokolov) recommend that Shareholders vote in favour of the election of Dr Sokolov as a Director of the Company. The Chair of the meeting intends to vote all available proxies in favour of Resolution 3.

Item 4 – Grant of Performance Rights to Managing Director – John Barrington AM

General

The Company has agreed, subject to obtaining Shareholder approval, to issue 439,815 Performance Rights to John Barrington (or his nominee) pursuant to the Artrya Employee Incentive Plan (Incentive Plan) and on the terms and conditions set out below (Performance Rights).

Directors' recommendation

The Directors (other than John Barrington) recommend that Shareholders vote in favour of Resolution 4. The Chair of the meeting intends to vote all available proxies in favour of Resolution 4.

ASX Listing Rule 7.1

If Shareholders approve Resolution 4 pursuant to ASX Listing Rule 10.14, then approval is not required for the purposes of ASX Listing Rule 7.1. Accordingly, if Resolution 4 is approved and the 439,815 Performance Rights are issued, these will not be included in the calculation of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- a. obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and

- b. give the benefit within 15 months following such approval, unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act

The issue of the Performance Rights to Mr Barrington (or his nominee) constitutes giving a financial benefit and Mr Barrington is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Barrington) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of Performance Rights to Mr Barrington, because the issue of Performance Rights constitutes reasonable remuneration payable to Mr Barrington in accordance with the exception set out in Section 211 of the Corporations Act.

ASX Listing Rule 10.14

ASX Listing Rule 10.14 provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

The issue of Performance Rights to Mr Barrington falls within Listing Rule 10.14.1 and therefore requires the approval of Shareholders under ASX Listing Rule 10.14.

Resolution 4 seeks the required Shareholder approval for the issue of the Performance Rights to John Barrington under and for the purposes of ASX Listing Rule 10.14.

Information required by ASX Listing Rule 10.14

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Barrington under the Incentive Plan and the Directors (other than Mr Barrington) intend to proceed with an alternative reward of cash in that instance.

In accordance with the requirements of ASX Rule 10.15 the following information is provided in relation to the proposed issue of Performance Rights to Mr Barrington.

- a. the Performance Rights will be issued to Mr Barrington (or his nominee), who falls within the category set out in Listing Rule 10.14.1, by virtue of Mr Barrington being a Director;
- b. the maximum number of Performance Rights to be issued to Mr Barrington (or his nominee) is 439,815;
- c. the current total remuneration package for Mr Barrington comprises Total Fixed Remuneration (TFR) of \$475,000 including statutory superannuation;
- d. No Performance Rights have been issued to Mr Barrington pursuant to the Incentive Plan;
- e. a summary of the material terms and conditions of the Performance Rights is set out in Schedule 1;
- f. Performance Rights are unquoted performance rights. The Company has chosen to grant the Performance Rights to Mr Barrington for the following reasons:
 - i. the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
 - ii. the issue of Performance Rights to Mr Barrington will align the interests of Mr Barrington with those of Shareholders;
 - iii. the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to Mr Barrington; and
 - iv. it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed;

- g. if all the Performance Hurdles are met and 100% of the Performance Rights proposed under Resolution 4 vest, the Company considers the Performance Rights to have an approximate total value of \$45,960, being \$0.1045 per Performance Rights using the Monte Carlo model and the following parameters:

Item	Tranche 1	Tranche 2
Underlying security spot price	\$0.64	\$0.64
Exercise price	Nil	Nil
Valuation Date	28-Sep-22	28-Sep-22
Commencement of performance period	28-Sep-22	28-Sep-22
Performance measurement date	30-06-24	30-06-25
Performance period (years)	1.76	2.76
Expiry date	30-Jun-25	30-Jun-25
Life (years)	2.76	2.76
Share price barrier	\$2.551	\$4.464
Volatility	70%	70%
Risk-free rate	3.575%	3.730%
Dividend yield	Nil	Nil
Valuation per Right	\$0.108	\$0.101

- h. the Performance Rights will be issued to Mr Barrington (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Performance Rights will be issued at one time.
- i. the issue price of the Performance Rights will be nil, as such no funds will be raised from the issue of the Performance Rights;
- j. a summary of the material terms and conditions of the Incentive Plan is set out in Schedule 2;
- k. no loan is being made to Mr Barrington in connection with the acquisition of the Performance Rights;
- l. details of any Performance Rights issued under the Incentive Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and
- m. any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Performance Rights under the Incentive Plan after Resolution 4 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

SCHEDULE 1 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS TO JOHN BARRINGTON

- a. The Performance Rights will be subject to the following vesting conditions, over a three-year period ending on 30 June 2025:
- i. Mr Barrington remains an Eligible Participant at the relevant test date;
 - ii. Tranche 1 - 50% of the allocation vests when the Market Capitalisation of the Company reaches \$200m at the test date of 30 June 2024;
 - iii. Tranche 2 - 50% of the allocation vests when the Market Capitalisation of the Company reaches \$350m at the test date of 30 June 2025; and
 - iv. Board approval.

(together, the Milestones).

- b. Performance Rights that vest will be automatically exercised on vesting and Mr Barrington (or his Nominee) will be entitled to receive one Share for every Performance Right, subject to any adjustment made in accordance with the Plan.

- c. Consideration:

The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights.

- d. Conversion:

Upon satisfaction of the relevant Performance Rights vesting, each Performance Right will, automatically vest and convert into one Share, subject to the discretion of the board to make a cash payment.

- e. Lapse of a Performance Right:

If the Milestone attaching to a Performance Right has not been satisfied in the time periods set out above, it will lapse.

- f. Share ranking:

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.

- g. Listing of Shares on ASX:

The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.

- h. Transfer of Performance Rights:

A Performance Right is only transferable:

- i. with the prior written consent of the Company; or
- ii. by force of law upon death to the holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.

- i. Participation in new issues:

A Performance Right will not confer on the holder the right to participate in new issues of securities by the Company unless the Performance Right is exercised prior to the record date for the new issue

- j. Adjustment of underlying securities:

The holder of a Performance Right will have no right to change the number of underlying securities over which the Performance Right can be exercised.

- k. Adjustment for reorganisation:

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or

return), all rights of a holder of a Performance Right (including the Vesting Conditions) are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.

I. Dividend and Voting Rights:

A Performance Right does not confer upon the holder an entitlement to vote or receive dividends.

SCHEDULE 2 – KEY TERMS OF EMPLOYEE INCENTIVE AWARDS PLAN (EIP)

Term	Description
Eligibility	<p>Invitations to participate in the EIP may be made at the Board's discretion to the following participants:</p> <ul style="list-style-type: none"> • a director (whether executive or non-executive) of the Artrya Group; • a full time or part time employee of the Artrya Group; • a casual employee or contractor of the Artrya Group (subject to the ASIC Class Order 14/1000 (Class Order)); or • a prospective participant or any other person that the Board determines to be eligible.
Types of securities	<p>The Company may grant Performance Rights, Options and/or Restricted Shares (together, the Awards) as incentives, subject to the terms of individual invitations.</p> <p>Options means an option to be issued or transferred a Share (or paid a cash payment at the discretion of the Board) subject to the satisfaction of applicable conditions.</p> <p>Performance Rights means a right to be issued or transferred a Share (or paid a cash payment at the discretion of the Board) subject to the satisfaction of applicable conditions.</p> <p>Restricted Shares means Shares acquired under the EIP that are subject to dealing restrictions, vesting conditions or other restrictions or conditions.</p>
Invitations under the EIP	<p>Under the EIP, the Board may make a written invitation at its discretion, subject to all applicable legislation, ASX Listing Rules and the Constitution. The Board has the discretion to set the terms and conditions on which it will offer the Awards in individual invitation documents. An invitation may be accepted by a participant in whole or in part.</p>
Issue price	<p>The Board may determine, in its absolute discretion, the fee (if any) payable by a participant either for the grant or exercise of the Award.</p> <p>Where an invitation of Performance Rights is relying on the Class Order, the Performance Rights will be issued for nil cash consideration.</p> <p>Unless the Options are quoted on the ASX, where an invitation to apply for Options is relying on the Class Order, the Options will be issued for no more than nominal cash consideration.</p>
Number of securities to be issued	<p>The number of Awards a participant may be invited to apply for from time to time will be determined by the Board in its discretion and in accordance with applicable law and, if applicable, ASX Listing Rules.</p> <p>For the purposes of Exception 13 of Listing Rule 7.2, the maximum number of securities that will be issued under the EIP in the 3 years after the Prospectus Date will be 7,800,000.</p> <p>Where the Company needs to rely on the Class Order in respect of an invitation, the Company must have reasonable grounds to believe, when making an invitation, that the number of Shares to be offered under an invitation, when aggregated with the total number of Shares issued or may be issued as a result of offers made in reliance on the Class Order during the previous 3 year period, will not exceed 5% of the total number of Shares on issue at the date of the invitation.</p>
Vesting	<p>Vesting of the Awards is subject to any vesting or performance conditions as determined by the Board in its discretion and as specified in the invitation document. The Board may, in its discretion and in accordance with the EIP, waive or reduce any vesting conditions in whole or in part. Subject to the EIP and the terms of the specific invitation document, Awards will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied.</p>
Cessation of employment	<p>Under the EIP, the Board has a broad discretion in relation to the treatment of entitlements on cessation of employment. It is intended that individual invitation documents will provide more specific information on how the entitlements will be treated if the participating employee ceases employment.</p>

Term	Description
Clawback and preventing inappropriate benefits	The EIP provides the Board with broad clawback powers if, for example, the participant has acted fraudulently or dishonestly or there is a material breach of their obligations or duties.
Variation	The Board may, by resolution, amend or add to all or any of the provisions of the EIP, an invitation or the terms or conditions of any incentive issued under the EIP at any time. However, the Board may only amend a provision which materially reduces the rights of participants without the participant's consent where the amendment is required for the purposes of complying with any law or the ASX Listing Rules, the amendment is to correct any manifest error or mistake, or the amendment will provide the participant with a more favourable taxation treatment in relation to their participation in the EIP.
Change of Control	<p>Under the EIP, if an acquiring company obtains control of the Company as a result of a Change of Control (as defined below), a participant may, in respect of any vested Options or Performance Rights that are exercised or Restricted Shares, be provided with shares of the acquiring company, or its parent, in lieu of Shares, on substantially the same terms and conditions as the Shares, but with appropriate adjustments. It is intended that individual invitation documents will provide more specific information on how the participant's Awards will be treated where there is a Change of Control event.</p> <p>Change of Control means:</p> <ul style="list-style-type: none"> • a bona fide Takeover Bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of the Company's issued Shares; • a court approves, under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement (other than a compromise or arrangement with the Company's creditors) for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies; or • in any other case, an entity obtains voting power (as defined in the Corporations Act) in the Company of at least 50.1%.
Restrictions on disposal	<p>Incentives issued to a participant may not be assigned, transferred, hedged or encumbered with a security interest unless otherwise agreed by the Board or that assignment or transfer occurs by force of law on the death of a Participant.</p> <p>The Board may determine, in its absolute discretion whether there will be any restrictions on the disposal of or the granting of any security interests over the Shares issued on the exercise of the Awards.</p>
Voting rights	The Awards will not give a Participant any voting rights until the relevant Awards have converted into Shares.
Dividend rights	The Awards will not give a Participant any right to participate in any dividends until the relevant Awards have converted into Shares.
Other terms	The EIP contains customary and usual terms for dealing with administration, variation, suspension and termination of any incentive plan.