

28 February 2023

Dear Shareholders

GENERAL MEETING - 31 MARCH 2023

Osteopore Limited (ASX: OSX) (**Osteopore** or **the Company**) has scheduled a General Meeting (**GM**) of Shareholders at 11.00am (AWST) on Friday, 31 March 2023 as a physical meeting at Ground Floor, 16 Ord Street, West Perth WA 6005.

In accordance with section 110D(1) of the Corporations Act 2001 (Cth), Osteopore will not be printing and dispatching paper copies of the Notice of Meeting (**Notice**) to Shareholders, unless a Shareholder has made a valid election to receive the Notice in paper form.

A complete copy of the Notice will be made available for download from the Company's website at www.osteopore.com or from the ASX market announcement page under the Company's ASX code of "OSX".

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

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

Directors **strongly encourage Shareholders to lodge a directed proxy voting form in advance of the GM** by voting online at <https://investorcentre.linkgroup.com>, or by mail to Osteopore Limited, C/- Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235.

Proxy voting forms must be received by 11.00am (AWST) on Wednesday, 29 March 2023. Any proxy form received after that time and date will not be considered for the GM.

The GM materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

If there are any difficulties obtaining a copy of the Notice, please contact the Company Secretary.

Kellie Davis
Company Secretary
Osteopore Limited



Osteopore Limited
ACN 630 538 957

Notice of General Meeting

Time and date: Friday, 31 March 2023 at 11.00am (AWST)

Location: Ground Floor, 16 Ord Street, West Perth, WA 6005

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their suitably qualified advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on +61 8 9482 0500.

Shareholders are urged to vote by lodging the Proxy Form

Osteopore Limited
ACN 630 538 957
(Company)

Notice of General Meeting

Notice is hereby given that a general meeting of Shareholders of Osteopore Limited will be held at Ground Floor, 16 Ord Street, West Perth, WA 6005 on Friday, 31 March 2023 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 the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 29 March 2023 at 11.00am (AWST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Resolutions

Resolution 1 – Ratification of issue of Placement Shares

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

‘That, pursuant to and in accordance with Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 6,666,666 Placement Shares under Listing Rule 7.1A, on the terms and conditions in the Explanatory Memorandum.’

Resolution 2 – Approval of issue of Placement Options

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

‘That, pursuant to and in accordance with Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of 6,666,666 Placement Options under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.’

Resolution 3 – Ratification of agreement to issue Vendor Performance Rights

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

‘That, pursuant to and in accordance with Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of or agreement to issue 2,400,000 Vendor Performance Rights, on the terms and conditions in the Explanatory Memorandum.’

Resolution 4 – Approval of issue of Director Performance Rights

To consider and, if thought fit, to pass without or without amendment, each as a **separate** ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 10.14, sections 195(4) and 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of up to 11,100,000 Director Performance Rights under the New Plan, as follows:

- (a) *up to 9,250,000 Director Performance Rights to Mr Mark Leong (and/or his nominees);*
- (b) *up to 925,000 Director Performance Rights to Professor Teoh Swee Hin (and/or his nominees); and*
- (c) *up to 925,000 Director Performance Rights to Mr Daniel Ow (and/or his nominees),*

on the terms and conditions in the Explanatory Memorandum.'

Resolution 5 – Approval of issue of Lead Manager Options

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

'That, pursuant to and in accordance with Listing Rule 7.1, and for all other purposes, Shareholders approve the issue of up to 5,000,000 Options to the Lead Manager (and/or its nominees) under Listing Rule 7.1, on the terms and conditions in the Explanatory Memorandum.'

Resolution 6 – Approval of New Plan

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

*'That, pursuant to and in accordance with exception 13(b) of Listing Rule 7.2 and for all other purposes, Shareholders approve the new employee securities incentive scheme of the Company known as the 'Osteopore Limited Employee Securities Incentive Plan' (**New Plan**) and the issue of up to 18,600,000 Securities under the New Plan, on the terms and conditions in the Explanatory Memorandum.'*

Resolution 7 – Approval of potential termination benefits under the New Plan

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

'That, conditional on Resolution 6 being approved, for a period commencing from the date this Resolution is passed and ending upon the expiry of all Securities issued or to be issued under the New Plan, approval be given for all purposes including Part 2D.2 of the Corporations Act for the giving of benefits to any current or future person holding a managerial or executive office of the Company or a related body corporate in connection with that person ceasing to hold such office, on the terms and conditions in the Explanatory Memorandum.'

Voting exclusions

Pursuant to the Listing Rules, the Company will disregard any votes cast in favour of:

- (a) **Resolution 1:** by or on behalf of a person who participated in the issue of the Placement Shares, or any of their respective associates.
- (b) **Resolution 2:** by or on behalf of any person who is expected to participate in the issue of the Placement Options, or who will obtain a material benefit as a result of, the proposed issue of the Placement Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (c) **Resolution 3:** by or on behalf of the Vendor, and any person who is a counterparty to the Agreement being approved or who participated in the issue of the Vendor Performance Rights, or any of their respective associates.
- (d) **Resolution 4(a):** by or on behalf of Mr Mark Leong (and/or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (e) **Resolution 4(b):** by or on behalf of Professor Teoh Swee Hin (and/or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (f) **Resolution 4(c):** by or on behalf of Mr Daniel Ow (and/or his nominees), and any other person who will obtain a material benefit as a result of the issue of these Director Performance Rights (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (g) **Resolution 5:** by or on behalf of the Lead Manager (and/or its nominees), or any person who is expected to participate in, or will obtain a material benefit as a result of, the proposed issue of Lead Manager Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates.
- (h) **Resolution 6:** by or on behalf of a person who is eligible to participate in the New Plan, any person excluded from voting on Resolution 4(a) to (c) (inclusive), or any of their respective associates.

The above voting exclusions do not apply to a vote cast in favour of the relevant 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;
- (b) the Chair 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.

Voting prohibitions

Resolution 4, Resolution 6 and Resolution 7: 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 these Resolutions if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on the Resolution.

However, the above prohibition does not apply if:

- (c) the proxy is the Chair; and
- (d) the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 4: In accordance with section 224 of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

However, the above prohibition does not apply 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; and
- (b) it is not cast on behalf of a related party of the Company to whom the Resolution would permit a financial benefit to be given, or an associate of such a related party.

Resolution 7: In accordance with section 200E(2A) of the Corporations Act, a vote on this Resolution must not be cast by any participants or potential participants in the New Plan and their associates, otherwise the benefit of this Resolution will be lost by such a person in relation to that person's future retirement.

However, a vote may be cast by such a person if:

- (a) the person is appointed as proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of the person or an associate of the person.

Please note: If the Chair is a person referred to in the section 224 Corporations Act voting prohibition statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed as proxy in writing and the Proxy Form specifies how the proxy is to vote on the relevant Resolution.

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

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Mark Leong', written in a cursive style.

Mark Leong
Executive Chairman
Osteopore Limited
Dated: 28 February 2023

Osteopore Limited
ACN 630 538 957
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Ground Floor, 16 Ord Street, West Perth, WA 6005 on Friday, 31 March 2023 at 11.00am (AWST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolution will be voted. The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolution:

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1– Ratification of issue of Placement Shares
Section 4	Resolution 2 – Approval of issue of Placement Options
Section 5	Resolution 3 – Ratification of agreement to issue Vendor Performance Rights
Section 6	Resolution 4(a) to 4(c) – Approval of issue of Director Performance Rights
Section 7	Resolution 5 – Approval of issue of Lead Manager Options
Section 8	Resolution 6 – Approval of New Plan
Section 9	Resolution 7 – Approval of potential termination benefits under the New Plan
Schedule 1	Definitions
Schedule 2	Terms and conditions of Placement Options
Schedule 3	Terms and conditions of Vendor Performance Rights
Schedule 4	Terms and conditions of Director Performance Rights
Schedule 5	Valuation of Director Performance Rights
Schedule 6	Summary of material terms of the New Plan

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolution.

2.1 Voting in person

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

2.2 Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

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:

- (a) 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);
- (b) 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;
- (c) 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
- (d) 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).

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

- (a) 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;
- (b) the appointed proxy is not the chair of the meeting;

- (c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and
- (d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

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

Your proxy voting instruction must be received by 11.00am (AWST) on Wednesday, 29 March 2023, being not later than 48 hours before the commencement of the Meeting.

2.3 **Chair's voting intentions**

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolution 4, Resolution 6 and Resolution 7 and even though these Resolutions are connected directly or indirectly with the remuneration of the Company's Key Management Personnel.

2.4 **Submitting questions**

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at investor_relations@osteopore.com by Friday, 24 March 2023.

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. 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).

3. **Resolution 1– Ratification of issue of Placement Shares**

3.1 **General**

On 22 December 2022, the Company announced a capital raising of \$1,000,000 (before costs) via the issue of 6,666,666 Shares to unrelated parties at an issue price of \$0.15 per Share (**Placement Shares**), with one free-attaching Option exercisable at \$0.225 each and expiring on the date that is three (3) years from the date of issue for every one Placement Share issued (**Placement Options**) (**Placement**).

On 3 January 2023, the Company issued the Placement Shares using the Company's placement capacity under Listing Rule 7.1A.

Resolution 1 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Placement Shares.

3.2 Listing Rules 7.1A and 7.4

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase its 15% placement capacity under Listing Rule 7.1 by an extra 10% to 25%. The Company obtained this approval at its 2022 annual general meeting.

The issue of the Placement Shares does not fit within any of the exceptions to Listing Rule 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's placement capacity under Listing Rule 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1A for the 12 month period following the issue of the Placement Shares.

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

The effect of Shareholders passing Resolution 1 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 10% additional placement capacity set out in Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

If Resolution 1 is passed, 6,666,666 Placement Shares will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1 is not passed, 6,666,666 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 6,666,666 Equity Securities for the 12 month period following the issue of those Placement Shares (and assuming the Company's approval under Listing Rule 7.1A remains in force for this period).

3.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

- (a) The Placement Shares were issued to existing and sophisticated investors, none of whom are related parties or a Material Investor (**Placement Participants**).

The Placement Participants, were identified through a bookbuild process, which involved the Lead Manager seeking expressions of interest to participate in the Placement from new and existing contacts of the Company and clients of the Lead Manager.

- (b) 6,666,666 Placement Shares were issued within the Company's 10% placement capacity under Listing Rule 7.1A, without the need for Shareholder approval.
- (c) The Placement Shares are fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.

- (d) The Placement Shares were issued on 3 January 2023.
- (e) The Placement Shares were issued at \$0.15 each.
- (f) The proceeds from the issue of the Placement Shares have been and are intended to be used towards:
 - (i) developing and launching new products to expand the scope of bone regeneration applications across the entire body;
 - (ii) advancing multiple on-going clinical trials to secure regulatory clearances in new markets;
 - (iii) supporting the continued improvement of the Company's world leading manufacturing process, and expand our portfolio of patents and trade secrets;
 - (iv) providing capacity for continued exploration of potential partnerships and acquisition opportunities aimed at increasing company value;
 - (v) providing a stronger balance sheet and deepen the Company's institutional shareholder base; and
 - (vi) general working capital.
- (g) There are no other material terms to the agreement for the subscription of the Placement Shares.
- (h) A voting exclusion statement is included in the Notice.

3.4 **Additional information**

Resolution 1 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 1.

4. **Resolution 2 – Approval of issue of Placement Options**

4.1 **General**

The background to the issue of the Placement Options is in Section 3.1 above.

Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Placement Options.

4.2 **Listing Rule 7.1**

Broadly speaking, Listing Rule 7.1 limits the ability of a listed entity from issuing or agreeing to issue Equity Securities, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Placement Options does not fit within any of the exceptions to Listing Rules 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

The effect of Shareholders passing Resolution 2 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 2 is passed, 6,666,666 Placement Options will be excluded in calculating the Company'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 2 is not passed, 6,666,666 Placement Options will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval, to the extent of 6,666,666 Equity Securities for the 12 month period following the issue of the Placement Options.

4.3 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Placement Options:

- (a) The Placement Options will be issued to the Placement Participants (refer to Section 3.3 for further details of the Placement Participants).
- (b) A maximum of 6,666,666 Placement Options will be issued to the Placement Participants if Shareholders pass this Resolution.
- (c) The Placement Options are exercisable at \$0.225 each and expire three (3) years from the date of issue. The Placement Options are otherwise subject to the terms and conditions in Schedule 2.
- (d) The Placement Options will be issued within three months after the date of the Meeting.
- (e) The Placement Options are being issued as free attaching Options to the Placement Shares. Accordingly, nil additional cash consideration will be payable by the Placement Participants.
- (f) A summary of the intended use of funds raised from the Placement is in Section 3.3(f) above. No additional funds will be raised by the issue of the Placement Options.
- (g) There are no other material terms to the agreement for the subscription of the Placement Options.
- (h) A voting exclusion statement is included in the Notice.

4.4 **Additional information**

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

5. Resolution 3 – Ratification of agreement to issue Vendor Performance Rights

5.1 General

On 23 January 2023 the Company announced it had entered into a binding agreement (**Agreement**) with Mr Lim Jae Hoon (**Vendor**) for the acquisition of 100% of the businesses owned by Lomic Korea Co., Ltd, 3D Aesthetic Solutions Pte Ltd, 3D Healthcare Solutions Co., Ltd and 3D Aesthetic Medical Equipment and Supplies Trading (**Target Businesses**) in order to increase the distribution of the Company's products (**Acquisition**).

Pursuant the terms of the Agreement, the Company agreed to provide the Vendor (and/or his nominees) the following consideration:

- (a) a cash payment of \$550,000 (less any outstanding accounts receivable owing from the Target Business to the Company at completion of the Acquisition (**Completion**));
- (b) following Completion, an aggregate of \$300,000 of cash payments in the following tranches (and subject to the following milestones having been satisfied):
 - (i) subject to the Target Businesses generating a cumulative \$350,000 of sales based off audited or reviewed accounts, a cash payment of \$100,000;
 - (ii) subject to the Target Businesses generating a cumulative \$500,000 of sales based off audited or reviewed accounts, a cash payment of \$100,000;
 - (iii) subject to the Target Businesses generating a cumulative \$800,000 of sales based off audited or reviewed accounts, a cash payment of \$100,000; and
- (c) 2,400,000 Performance Rights which expire 5 years from the date of issue (**Vendor Performance Rights**) and vest upon the following milestones being satisfied:
 - (i) the Target Businesses generating a cumulative \$1,000,000 of sales based off audited or reviewed accounts over a twelve (12) month period from Completion;
 - (ii) no material adverse events arising in respect of the Target Businesses; and
 - (iii) twelve (12) months having expired since Completion.

As at the date of this Notice, the Company has not issued the Vendor Performance Rights. However, the Company intends to issue the Vendor Performance Rights to the Vendor on Completion, and in any event no later than three months after the date of the Meeting under Listing Rule 7.1.

The Vendor Performance Rights are subject to the terms and conditions in Schedule 3.

Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of or agreement to issue the Vendor Performance Rights.

5.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is in Sections 3.2 and 4.2 above.

If Resolution 3 is passed and the Company issues the Vendor Performance Rights no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), the issue or agreement to issue will be

excluded in calculating the Company'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 3 is not passed or the Vendor Performance Rights are issued later than 3 months after the date of the Meeting (save for a later date permitted by ASX), the Company's ongoing capacity to issue or agree to issue Equity Securities under Listing Rule 7.1 without obtaining prior Shareholder approval will continue to be reduced to the extent of 2,400,000 Equity Securities for the 12 month period following the issue of those Vendor Performance Rights.

5.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Vendor Performance Rights:

- (a) The 2,400,000 Vendor Performance Rights will be issued to Mr Lim Jae Hoon (and/or his nominees), none of whom is a related party or Material Investor of the Company.
- (b) 2,400,000 Vendor Performance Rights will be issued under the Company's placement capacity permitted under Listing Rule 7.1.
- (c) The Vendor Performance Rights will be subject to the terms and conditions in Schedule 3.
- (d) As at the date of this Notice, the Company has not issued the Vendor Performance Rights. However, the Vendor Performance Rights will be issued on Completion, and in any event no later than three months after the date of the Meeting.
- (e) The Vendor Performance Rights will be issued for nil cash consideration as they are being issued as partial consideration for the Acquisition.
- (f) A summary of the material terms of the Agreement is in Section 5.1 above.
- (g) A voting exclusion statement is included in the Notice.

5.4 Additional information

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

6. Resolution 4 – Approval of issue of Director Performance Rights

6.1 General

The Company is proposing, subject to obtaining Shareholder approval, to issue up to a total of 11,100,000 Performance Rights to the Directors (and/or their respective nominees) (**Director Performance Rights**) as follows:

Class	Milestone	Expiry Date	Number of Performance Rights		
			Mark Leong	Teoh Swee Hin	Daniel Ow

Tranche A	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.25 or the Company achieving a Market Capitalisation of \$32,500,000 on a fully diluted basis	5 years from the date of issue	1,000,000	100,000	100,000
Tranche B	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.30 or the Company achieving a Market Capitalisation of \$37,500,000 on a fully diluted basis	5 years from the date of issue	1,500,000	150,000	150,000
Tranche C	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.375 or the Company achieving a Market Capitalisation of \$47,500,000 on a fully diluted basis	5 years from the date of issue	1,750,000	175,000	175,000

Tranche D	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.475 or the Company achieving a Market Capitalisation of \$60,000,000 on a fully diluted basis	5 years from the date of issue	2,250,000	225,000	225,000
Tranche E	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.55 or the Company achieving a Market Capitalisation of \$70,000,000 on a fully diluted basis	5 years from the date of issue	2,750,000	275,000	275,000
TOTAL			9,250,000	925,000	925,000

The Director Performance Rights are subject to the terms and conditions in Schedule 4.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long-term, and the proposed issue seeks to align the efforts of the Directors in seeking to achieve growth of the Company's projects and in the creation of Shareholder value. The Board believes that the issue of these Director Performance Rights will align the interests of the Directors with those of the Company and its Shareholders. In addition, the Board also believes that incentivising with Performance Rights is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Director Performance Rights to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

The Director Performance Rights are to be issued under the New Plan (as defined in Section 8.1 below), which is the subject of Resolution 6. A summary of the material terms of the New Plan is in Schedule 6.

Resolution 4(a), (b) and (c) seeks Shareholder approval pursuant to Listing Rule 10.14 and sections 195(4) and 208 of the Corporations Act for the issue of up to a total of 11,100,000 Director Performance Rights under the New Plan to the Directors (and/or their respective nominees).

6.2 **Listing Rule 10.14**

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire Equity Securities under an employee incentive scheme, unless Shareholder approval is provided:

- (a) a director of the company (Listing Rule 10.14.1);
- (b) an associate of a director the company (Listing Rule 10.14.2); or
- (c) a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders (Listing Rule 10.14.3).

The proposed issue of the Director Performance Rights falls within Listing Rule 10.14.1 (or Listing Rule 10.14.2 if a Director elects for the Director Performance Rights to be issued to their nominee) and therefore requires the approval of Shareholders under Listing Rule 10.14.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rule 7.1 or 10.11 is not required.

If Resolution 4(a), (b) and (c) is passed, the Company will be able to proceed with the issue of the Director Performance Rights.

If Resolution 4(a), (b) and (c) is not passed, the Company will not be able to proceed with the issue of the Director Performance Rights to the Directors and the Company will proceed with other forms of performance-based remuneration, which may include incentives in the form of cash bonuses.

6.3 **Specific information required by Listing Rule 10.15**

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Director Performance Rights:

- (a) The Director Performance Rights will be issued under the New Plan to Mr Mark Leong, Professor Teoh Swee Hin and Mr Daniel Ow (and/or their respective nominees).
- (b) The Directors are related parties of the Company by virtue of each being a Director of the Company and fall into the category stipulated by Listing Rule 10.14.1. In the event the Director Performance Rights are issued to a respective nominee of the Directors, that person will fall into the category stipulated by Listing Rule 10.14.2.
- (c) A maximum of 11,100,000 Director Performance Rights will be issued to the Directors (and/or their respective nominees) in the proportions set out in Section 6.1 above.
- (d) The Directors current total annual remuneration package as at the date of this Notice is set out below:

Director	Salary and fees (inclusive of superannuation)
Mark Leong	\$150,000
Teoh Swee Hin	\$39,690
Daniel Ow	\$39,690

- (e) No Equity Securities have previously been issued under the New Plan to the Directors.
- (f) Since the Existing Plan was first adopted by Shareholders on 31 May 2022, the Company has not issued any Equity Securities to the Directors under the Existing Plan:
- (g) The Director Performance Rights will be issued on the terms and conditions in Schedule 4.
- (h) The Board considers that Performance Rights are an appropriate form of incentive because they reward and incentivise the Directors for their ongoing support to the Company. Additionally, the issue of Performance Rights instead of cash is a prudent means of conserving the Company's available cash reserves.
- (i) A valuation of the Director Performance Rights is in Schedule 5.
- (j) The Director Performance Rights are intended to be issued to the Directors as soon as practicable following the receipt of approval at the Meeting and in any event, will be issued no later than three years after the date of the Meeting if the required approval is received.
- (k) The Director Performance Rights will have an issue price of nil as they will be issued as part of the Directors' remuneration package.
- (l) A summary of the material terms of the New Plan is in Schedule 6.
- (m) No loan will be provided in relation to the issue of the Director Performance Rights.
- (n) Details of any Securities issued under the New Plan will be published in the annual report of the Company relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14. Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the New Plan after Resolution 6 is approved and who were not named in the Notice will not participate until approval is obtained under Listing Rule 10.14.
- (o) A voting exclusion statement is included in the Notice.

6.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 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 proposed issue of the Director Performance Rights constitutes giving a financial benefit to related parties of the Company.

Given the personal interests of all the Directors in the outcome of this Resolution, the Board is seeking Shareholder approval pursuant to Chapter 2E of the Corporations Act in respect of the issue of the Director Performance Rights.

6.5 **Information required under Chapter 2E of the Corporations Act**

Pursuant to and in accordance with section 219 of the Corporations Act, the following information is provided in relation to the proposed issue of the Director Performance Rights:

- (a) **Identity of the related parties to whom Resolution 4(a), (b) and (c) permit financial benefits to be given**

Refer to Section 6.3(a) above.

- (b) **Nature of the financial benefit**

Resolution 4(a), (b) and (c) seek Shareholder approval to allow the Company to issue the Director Performance Rights in the amounts specified in Section 6.1 to the Directors (and/or their respective nominees).

The Director Performance Rights are to be issued in accordance with the New Plan and otherwise on the terms and conditions set out in Schedule 4.

The Shares to be issued upon conversion of the Director Performance Rights will be fully paid ordinary Shares in the capital of the Company on the same terms and conditions as the Company's existing Shares and will rank equally in all respects with the Company's existing Shares. The Company will apply for official quotation of the Shares on ASX.

- (c) **Board recommendations**

The Board declines to make a recommendation in relation to each of the resolutions which form part of Resolution 4 due to their personal interests in the outcome of the Resolution.

- (d) **Valuation of financial benefit**

The fair value per Performance Right is set out below based on the Monte Carlo methodology:

	Tranche A Performance Rights	Tranche B Performance Rights	Tranche C Performance Rights	Tranche D Performance Rights	Tranche E Performance Rights
Methodology	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo
Iterations	100,000	100,000	100,000	100,000	100,000
Assumed grant date	2 February 2023	2 February 2023	2 February 2023	2 February 2023	2 February 2023
Assumed expiry date	2 February 2028	2 February 2028	2 February 2028	2 February 2028	2 February 2028
Share price at grant date (\$)	0.125	0.125	0.125	0.125	0.125
Exercise price (\$)	nil	nil	nil	nil	nil
VWAP hurdle (\$)	0.250	0.300	0.375	0.475	0.550
Risk-free rate (%)	3.189	3.189	3.189	3.189	3.189
Volatility (%)	90	90	90	90	90
Dilution factor	0.918	0.918	0.918	0.918	0.918
Fair value per Performance Right (\$)	0.1050	0.1018	0.0972	0.0924	0.0891

The value of the Performance Rights by recipient is as set out below, with all figures presented in Australian Dollars:

	Mark Leong (\$)	Teoh Swee Hin (\$)	Daniel Ow (\$)
Tranche A Performance Rights	105,049	10,505	10,505
Tranche B Performance Rights	152,714	15,271	15,271

Tranche C Performance Rights	170,143	17,014	17,014
Tranche D Performance Rights	207,909	20,791	20,791
Tranche E Performance Rights	245,133	24,513	24,513
TOTAL	880,948	88,094	88,094

Further information on the value of the financial benefit is set out in Schedule 5.

(e) **Remuneration of Professor Teoh and Messrs Leong and Ow**

Refer to Section 6.3(d) above.

(f) **Existing relevant interest of Directors**

At the date of this Notice, the Directors hold the following relevant interests in Equity Securities of the Company:

Director	Shares	Options	Performance Rights
Mark Leong	150,000	Nil	Nil
Teoh Swee Hin	7,130,309	Nil	Nil
Daniel Ow	Nil	Nil	Nil

Assuming that Resolution 4(a), (b) and (c) is approved by Shareholders, all of the Director Performance Rights are issued, vested and exercised into Shares, and no other Equity Securities are issued or exercised, the interests of the Directors in the Company would (based on the Share capital as at the date of this Notice) represent:

- (i) in respect of Mr Leong, approximately 6.96% of the Company's issued Share capital;
- (ii) in respect of Professor Teoh Swee Hin, approximately 5.97% of the Company's issued Share capital; and
- (iii) in respect of Mr Daniel Ow, approximately 0.69% of the Company's issued Share capital.

(g) **Dilution**

The issue of the Director Performance Rights will have a diluting effect on the percentage interest of existing Shareholders' holdings if the Director Performance Rights vest and are exercised. The potential dilution if all of the Director Performance Rights vest and are exercised into Shares is 8.22%. This figure assumes the current Share capital structure as at the date of this Notice and that no Shares are issued other than the Shares issued on exercise of the Director Performance Rights.

The exercise of all of the Director Performance Rights will result in a total dilution of all other Shareholders' holdings of 8.03% on a fully diluted basis (assuming that all Options are exercised). The actual dilution will depend on the extent that additional Shares are issued by the Company.

(h) **Trading history**

The highest and lowest closing market sale prices of the Shares on ASX during the 12 months prior to the date of this Notice were:

Highest: \$0.30 per Share on 26 and 30 August 2022

Lowest: \$0.105 per Share on 23, 24 and 27 June 2022

The latest available closing market sale price of the Shares on ASX prior to the date of this Notice was \$0.12 per Share on 27 February 2023.

(i) **Corporate governance**

Mr Mark Leong is an executive director of the Company and therefore the Board (other than Mr Leong) believe that the grant of those Director Performance Rights to Mr Leong with performance-based milestones is in line with Recommendation 8.2 of the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

(j) **Taxation consequences**

There are no taxation consequences for the Company arising from the issue of the Director Performance Rights (including fringe benefits tax).

(k) **Other information**

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 4(a), (b) and (c).

6.6 **Additional information**

Each of the resolutions which forms part of Resolution 4 is an ordinary resolution.

The Board declines to make a recommendation in relation to each of the resolutions which form part of Resolution 4 due to their personal interests in the outcome of the Resolution.

7. **Resolution 5 – Approval of issue of Lead Manager Options**

7.1 **General**

Refer to Section 3.1 above for the background to the Placement.

Cadmon Advisory Pty Ltd acted as lead manager to the Placement (**Lead Manager**). As part consideration for the provision of lead manager services, the Company agreed to issue the Lead Manager (and/or its nominees) 5,000,000 Options exercisable at \$0.225 each and expiring 3 years from the date of issue (**Lead Manager Options**).

Resolution 5 seeks Shareholders approval pursuant to Listing Rule 7.1 to the issue the Lead Manager Options to the Lead Manager (and/or its nominees).

7.2 **Summary of Lead Manager Mandate**

The Company entered into a mandate with the Lead Manager for the provision of lead manager services and bookrunner services, including the coordination and management of the Placement.

Under the Lead Manager Mandate, the Company has agreed to pay the Lead Manager:

- (a) a capital raising fee of 6% of the amount raised under the Placement (excluding GST); and
- (b) the Lead Manager Options.

The Lead Manager Mandate contains additional provisions, including warranties and indemnities in respect of the Company, which are considered standard for agreements of this nature.

7.3 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is in Section 4.2 above.

The effect of Shareholders passing Resolution 5 will be to allow the Company to retain the flexibility to issue Equity Securities in the future up to the 15% additional placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Lead Manager Options.

If Resolution 5 is not passed, the Company will not be able to proceed with the issue of Lead Manager Options and will have to consider alternative commercial means to pay the Lead Manager for its services, which may include issuing the Lead Manager Options using any available 15% placement capacity permitted under Listing Rule 7.1.

7.4 **Specific information required by Listing Rule 7.3**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Lead Manager Options:

- (a) The Lead Manager Options will be issued to the Lead Manager (and/or its nominees), who is not a related party. The Lead Manager is a Material Investor the Company by virtue of being an advisor to the Company who will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
- (b) A maximum of 5,000,000 Lead Manager Options will be issued.

- (c) The Lead Manager Options are exercisable at \$0.225 each and expire 3 years from the date of issue.
- (d) The Lead Manager Options are subject to the terms and conditions in Schedule 2.
- (e) The Lead Manager Options will be issued no later than 3 months after the date of the Meeting.
- (f) The Lead Manager Options will be issued for nil cash consideration and no funds will be raised by their issue.
- (g) A summary of the material terms of the Lead Manager Mandate is in Section 7.2 above.
- (h) A voting exclusion statement is included in the Notice.

7.5 **Additional information**

Resolution 5 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 5.

8. **Resolution 6 – Approval of New Plan**

8.1 **General**

On 1 October 2022, amendments to the Corporations Act commenced, simplifying the process for incentivising participants under employee share schemes (**ESS**). Division 1A were introduced into Part 7.12 of the Corporations Act, providing a separate regime for the making of offers in connection with an ESS (**New Regime**). This regime replaced the current relief afforded by ASIC Class Order 14/1000 (**Class Order**), which commenced on 30 October 2014.

In order to ensure that the Company is afforded the relief provided by the New Regime, the Company considers it necessary to adopt a new ESS that makes reference to the New Regime and includes the changes that came into effect on 1 October 2022.

Resolution 6 seeks Shareholder approval for the adoption of the new ESS titled the 'Osteopore Limited Employee Securities Incentive Plan' (**New Plan**) in accordance with Listing Rule 7.2 exception 13(b), for the sole purpose of ensuring that the Company is afforded the relief provided by the New Regime.

Under the New Plan, the Board may offer to eligible persons the opportunity to subscribe for such number of Equity Securities in the Company as the Board may decide and on the terms set out in the rules of the New Plan. A summary of the key terms and conditions is in Schedule 6. In addition, a copy of the New Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the New Plan can also be sent to Shareholders upon request to the Company Secretary at investor_relations@osteopore.com. Shareholders are invited to contact the Company if they have any queries or concerns.

8.2 **Key changes between the Class Order and New Regime**

The following table summarises the key changes that will be implemented by the New Regime

for “Invitations” (within the meaning given in the New Plan) made under the New Plan:

	Previous Class Order	New Regime
Disclosure obligations	<p>The Class Order mandates certain information that must be provided to ESS participants.</p> <p>There is no difference between the disclosure requirements where ESS Interests are offered for monetary consideration or for no monetary consideration.</p>	<p>If the offer of ESS Interests is for no monetary consideration: There are no prescribed disclosure obligations, other than a statement that the offer is made under Division 1A.</p> <p>If the offer of ESS Interests is for monetary consideration:</p> <ul style="list-style-type: none"> • Certain prescribed disclosure requirements apply. These disclosure requirements are similar (although different) to the current disclosure requirements under the Class Order. • The participant cannot acquire the ESS Interests until 14 days after receiving the above disclosure. This mandates a waiting period ensuring a participant has time to consider their decision and seek legal financial advice. • Any associated trust, contribution plan and loan arrangement will need to comply with specified requirements.
Eligible participants	<ul style="list-style-type: none"> • Directors; • Full-time and part-time employees; • Casual employees and contractors, provided they work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the entity. 	<ul style="list-style-type: none"> • Directors; • Full-time and part-time employees; • Any service providers to the entity (with no minimum requirement of hours of service provided); • Certain ‘related persons’ to the above.

	Previous Class Order	New Regime
5% limit	The maximum number of ESS Interests that can be issued under the Class Order relief over a three-year period is 5% of the issued share capital.	If the offer of ESS Interests is for no monetary consideration: There is no limit on the number of such ESS Interests that may be issued. If the offer of ESS Interests is for monetary consideration: The number of ESS Interests issued over a three-year period must not exceed 5% of the issued share capital. Entities may specify a different issue cap in their constitution.
Suspension	For the Class Order relief to be available, the entity's shares must not have been suspended for more than 5 days over the previous 12 months.	The new regime permits an entity to offer ESS Interests regardless of any suspension to the trading of its shares.
ASIC involvement	A 'Notice of Reliance' must be submitted to ASIC to rely on the Class Order relief.	There are no ASIC lodgement requirements. ASIC has the power to require the provision of documents necessary in order to form an opinion about whether the regime has been complied with. ASIC has also been given express enforcement powers including the ability to issue 'stop orders'.
Criminal offences	N/A	New ESS related criminal offences have been introduced regarding certain misleading or deceptive statements or omissions.

8.3 Listing Rules 7.1 and 7.2, exception 13(b)

Broadly speaking, Listing Rule 7.1 limits the ability of a listed entity from issuing or agreeing to issue Equity Securities over a 12 month period which exceeds 15% of the number of fully paid ordinary Shares it had on issue at the start of the 12 month period.

Listing Rule 7.2, exception 13(b), provides an exception to Listing Rule 7.1 such that issues of Equity Securities under an employee incentive scheme are exempt for a period of three years from the date on which Shareholders approve the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Listing Rule 7.2, exception 13(b), ceases to be available to the Company if there is a material change to the terms of the New Plan from those set out in this Notice in Schedule 6.

If Resolution 6 is passed, the Company will be able to issue up to a maximum of 18,600,000 Equity Securities under the New Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible

participants over a period of three years without using the Company's 15% annual placement capacity under Listing Rule 7.1.

However, any future issues of Equity Securities under the New Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under Listing Rule 10.14 at the relevant time.

If Resolution 6 is not passed, any issue of Equity Securities pursuant to the New Plan will be made either with Shareholder approval or, in default of Shareholder approval, pursuant to the Company's placement capacity under either or both Listing Rules 7.1 and 7.1A.

8.4 **Specific information required by Listing Rule 7.2, exception 13(b)**

Pursuant to and in accordance with Listing Rule 7.2, exception 13(b), the following information is provided in relation to the New Plan:

- (a) A summary of the material terms of the New Plan is in Schedule 6.
- (b) As at the date of this Notice, no Equity Securities have been issued under the New Plan. Subject to Shareholder approval of Resolution 4, the Company intends to issue up to 11,100,000 Director Performance Rights under the New Plan and on the terms and conditions set out in Schedule 4.
- (c) The Company adopted its existing employee securities incentive plan called the 'Osteopore Limited Employee Incentive Plan' under Listing Rule 7.2, exception 13(b) on 31 May 2022 (**Existing Plan**). Since that date, the Company has not issued any Equity Securities under the Existing Plan.
- (d) The maximum number of Equity Securities proposed to be issued under the New Plan pursuant to Listing Rule 7.2, exception 13(b), following approval of Resolution 6 is 18,600,000 (subject to adjustment in the event of a reorganisation of capital and further subject to applicable laws and the Listing Rules). This number comprises approximately 15% of the Company's Equity Securities currently on issue. The maximum number of Equity Securities is not intended to be a prediction of the actual number to be issued under the New Plan but is specified for the purpose of setting a ceiling in accordance with Listing Rule 7.2 exception 13(b). It is not envisaged that the maximum number of Equity Securities for which approval is obtained will be issued immediately.
- (e) A voting exclusion statement is included in the Notice.

8.5 **Additional information**

Resolution 6 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 6 due to the Directors' potential personal interests in the outcome of the Resolution.

9. **Resolution 7 – Approval of potential termination benefits under the New Plan**

9.1 **General**

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the New Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the New Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

If Resolution 7 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the New Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

9.2 **Part 2D.2 of the Corporations Act**

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 7, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the New Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

As noted above, under the terms of the New Plan and subject to the Listing Rules and the Corporations Act, the Board possesses the discretion to vary the terms or conditions of the Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the New Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the New Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

9.3 **Valuation of the termination benefits**

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the New Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

9.4 **Additional information**

Resolution 7 is conditional on the passing of Resolution 6. If Resolution 6 is not approved at the Meeting, Resolution 7 will not be put to the Meeting.

Resolution 7 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 7 due to their potential personal interests in the outcome of the Resolution.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ or A\$	means Australian Dollars.
Acquisition	has the meaning given in Section 5.1.
Agreement	has the meaning given in Section 5.1.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
AWST	means Western Standard Time, being the time in Perth, Western Australia.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Class Order	has the meaning given in Section 8.1.
Company	means Osteopore Limited (ACN 630 538 957).
Completion	means completion of the Acquisition.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth), as amended.
Director	means a director of the Company.
Director Performance Rights	means the 11,100,000 Performance Rights to be issued to the Directors (and/or their respective nominees), the subject of Resolution 4.
Equity Security	has the same meaning as in the Listing Rules.
ESS	has the meaning given in Section 8.1.
Existing Plan	has the meaning given in Section 8.4.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Lead Manager	means Cadmon Advisory Pty Ltd (ACN 616 484 756).

Lead Manager Options	means the 5,000,000 Options to be issued to the Lead Manager (and/or its nominees), the subject of Resolution 5.
Listing Rules	means the listing rules of ASX.
Market Capitalisation	means the total number of Shares on issue multiplied by the Company's 20-day VWAP.
Material Investor	means, in relation to the Company: <ul style="list-style-type: none"> (a) a related party; (b) Key Management Personnel; (c) a substantial Shareholder; (d) an advisor; or (e) an associate of the above, who received or will receive Securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
New Plan	has the meaning given in Section 8.1.
New Regime	has the meaning given in Section 8.1.
Notice	means this notice of general meeting.
Options	means an option to acquire a Share.
Performance Right	means a right to acquire a Share subject to the satisfaction of a performance based milestone.
Placement	has the meaning given to that term in Section 3.1.
Placement Options	means the 6,666,666 Options to be issued to the Placement Participants (and/or their respective nominees), the subject of Resolution 2.
Placement Participants	has the meaning given in Section 3.3.
Placement Shares	means the 6,666,666 Shares issued under the Placement, the subject of Resolution 1.
Proxy Form	means the proxy form attached to the Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.

Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Target Businesses	means Lomic Korea Co., Ltd, 3D Aesthetic Solutions Pte Ltd, 3D Healthcare Solutions Co., Ltd and 3D Aesthetic Medical Equipment and Supplies Trading.
Vendor	means Mr Lim Jae Hoon.
Vendor Performance Rights	has the meaning given in Section 5.1.
VWAP	means volume weighted average price.

Schedule 2 Terms and conditions of Placement Options

The terms and conditions of the Placement Options (**Options**) are as follows:

1. (**Entitlement**) Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. (**Exercise Price**) The amount payable upon exercise of each Option is \$0.225 per Option (**Exercise Price**).
3. (**Expiry Date**) Each Option will expire at 5:00pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
4. (**Exercise**) A holder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (a) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (b) a electronic funds transfer for the Exercise Price for the number of Options being exercised.
5. (**Exercise Notice**) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds. The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 10,000 must be exercised on each occasion.
6. (**Timing of issue of Shares on exercise**) Within 5 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
7. (**Transferability**)
 - (a) to the extent they are quoted on ASX's official list, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws, the Options will be freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws; and
 - (b) to the extent they are not quoted on ASX's official list, the Options will not be transferable without the prior written approval of the Company.
8. (**Ranking of Shares**) All Shares allotted upon the exercise of Options will upon allotment be fully paid and rank *pari passu* in all respects with other Shares.
9. (**Quotation**)
 - (a) The Company will apply for quotation of the Options on ASX. Quotation of the Options will be subject to compliance with the ASX Listing Rules. In the event that the Options do not satisfy the quotation conditions of the ASX Listing Rules, the Options will remain on issue as unquoted options. The Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 5 Business Days after the date of allotment of those Shares. However, the Options will only be admitted

to official quotation by ASX if the conditions for quotation of a new class of securities are satisfied (which include, amongst other things, there being a minimum of 100,000 Options on issue, with at least 50 holders with a marketable parcel (within the meaning of the ASX Listing Rules).

(b) If official quotation of the Options is not granted by ASX in accordance with Section 9(a) above, the Options will not be quoted.

10. **(Reconstruction)** If at any time the issued capital of the Company is reconstructed, all rights of a holder of Options are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
11. **(Participating rights)** There are no participating rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
12. **(Amendments)** An Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
13. **(Dividend and voting rights)** An Option does not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.

Schedule 3 Terms and conditions of Vendor Performance Rights

The terms and conditions of the Vendor Performance Rights (**Performance Rights**) are as follows:

1. Exercise Price, Expiry Date and Vesting Conditions

- (a) The amount payable upon exercise of each Performance Right will be nil (**Exercise Price**).
- (b) Each Performance Right will expire at 5.00pm (AWST) on the applicable date specified in the table in paragraph 1(c) (**Expiry Date**).
- (c) The vesting of each Performance Right will occur in accordance with paragraph 2, subject to the satisfaction of the milestone conditions (**Milestone**) occurring before the Expiry Date, as specified below.

Number of Performance Rights	Milestone	Expiry Date
2,400,000	The Target Businesses generating a cumulative \$1,000,000 of sales based off audited or reviewed accounts over a twelve (12) month period from Completion.	5 years from the date of issue

2. Vesting

The Performance Rights will fully vest subject to the satisfaction of the Milestone.

The Company will notify the holder in writing within 14 days of becoming aware that a Performance Right has vested.

3. Conversion

Upon vesting, each Performance Right will, at the holder's election, convert into one Share free of encumbrances. The holder must apply to exercise Performance Rights upon or after vesting but prior to the Expiry Date by filling out a notice of exercise form (**Notice of Exercise**).

4. Expiry Date

The Performance Rights will automatically expire on the Expiry Date.

For the avoidance of doubt any vested but unexercised Performance Rights will automatically expire on the Expiry Date.

5. Transfer

The Performance Rights are not transferable.

6. Participation in entitlements and bonus issues

Subject always to the rights under paragraphs 7 and 8, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

7. Adjustment for bonus issue

If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which holders of Performance Rights are entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue.

8. Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules and Corporations Act at the time of reorganisation provided that, subject to compliance with the Listing Rules and Corporations Act, following such reorganisation the holder's economic and other rights are not diminished or terminated.

9. Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.

10. Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

11. Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

12. Change in control

Upon:

(a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:

(i) having received acceptances for not less than 50.1% of the Company's shares on issue; and

having been declared unconditional by the bidder; or

- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then:

- (c) any unvested Performance Rights will automatically vest.

13. Issue of Shares

The Shares to which the holder is entitled on exercise of the Performance Right will be issued, free of encumbrances, to the holder within 10 Business Days of satisfaction of the Milestone. All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares. For the avoidance of doubt, the holder will, from and including the issue date of any Shares, be the legal owner of the Shares and will be entitled to dividends and to exercise voting rights attached to the Shares. The Company will bear all costs and expenses associated with the issue of Shares in accordance pursuant to these terms and conditions.

14. Quotation

The Performance Rights will not be quoted.

15. Quotation of Shares on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Performance Rights in accordance with the Listing Rules.

16. Timing of issue of Shares

As soon as practicable after the issue of a Notice of Exercise by the holder, the Company will:

- (a) issue, allocate or cause to be transferred to the holder the number of shares to which the holder is entitled;
- (b) if required, issue a substitute certificate for any remaining unexercised Performance Rights held by the holder;
- (c) if required and subject to paragraph 17, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

17. Restrictions on transfer of Shares

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

18. Variation to terms and conditions

The Directors may change the terms of the Performance Rights within reason where a variation is required to comply with the Corporations Act or the Listing Rules

Schedule 4 Terms and conditions of Director Performance Rights

The terms and conditions of the Performance Rights are as follows:

1. Exercise Price, Expiry Date and Vesting Conditions

- (a) The amount payable upon exercise of each Performance Right will be nil (**Exercise Price**).
- (b) Each Performance Right will expire at 5.00pm (AWST) on the applicable date specified in the table in paragraph 1(c) (**Expiry Date**).
- (c) The vesting of each Performance Right will occur in accordance with paragraph 2, subject to the satisfaction of the applicable milestone condition (**Milestone**) occurring before the relevant Expiry Date, as specified below.

Class	Milestone	Expiry Date	Number of Performance Rights		
			Mark Leong	Teoh Swee Hin	Daniel Ow
Tranche A	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.25 or the Company achieving a Market Capitalisation of \$32,500,000 on a fully diluted basis	5 years from the date of issue	1,000,000	100,000	100,000
Tranche B	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.30 or the Company achieving a Market Capitalisation of \$37,500,000	5 years from the date of issue	1,500,000	150,000	150,000

	on a fully diluted basis				
Tranche C	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.375 or the Company achieving a Market Capitalisation of \$47,500,000 on a fully diluted basis	5 years from the date of issue	1,750,000	175,000	175,000
Tranche D	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.475 or the Company achieving a Market Capitalisation of \$60,000,000 on a fully diluted basis	5 years from the date of issue	2,250,000	225,000	225,000
Tranche E	The earlier of the Company's 20-Day VWAP equalling or exceeding \$0.55 or the Company achieving a Market Capitalisation of \$70,000,000	5 years from the date of issue	2,750,000	275,000	275,000

	on a fully diluted basis				
TOTAL			9,250,000	925,000	925,000

2. Vesting

The Performance Rights vest in equal tranches subject to the satisfaction of the Milestone and the Performance Right holder remaining an employee or Director of the Company at the relevant vesting date (unless the Board resolves otherwise).

The Company will notify the holder in writing within 14 days of becoming aware that a Performance Right has vested.

3. Conversion

Upon vesting, each Performance Right will, at the holder's election, convert into one Share free of encumbrances. The holder must apply to exercise Performance Rights upon or after vesting but prior to the Expiry Date by filling out a notice of exercise form (**Notice of Exercise**).

4. Expiry Date

The Performance Rights will automatically expire on the Expiry Date.

For the avoidance of doubt any vested but unexercised Performance Rights will automatically expire on the Expiry Date.

5. Transfer

The Performance Rights are not transferable.

6. Participation in entitlements and bonus issues

Subject always to the rights under paragraphs 7 and 8, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

7. Adjustment for bonus issue

If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which holders of Performance Rights are entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue.

8. Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules and Corporations Act at the time of reorganisation provided that, subject to compliance with the Listing Rules and Corporations Act, following such reorganisation the holder's economic and other rights are not diminished or terminated.

9. Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.

10. Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

11. Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

12. Change in control

Upon:

- (a) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (i) having received acceptances for not less than 50.1% of the Company's shares on issue; and
 - (ii) having been declared unconditional by the bidder; or
- (b) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then:

- (c) any unvested Performance Rights will automatically vest.

13. Issue of Shares

The Shares to which the holder is entitled on exercise of the Performance Right will be issued, free of encumbrances, to the holder within 10 Business days of the date of the exercise of notice in respect of the relevant Performance Right. All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares. For the avoidance of doubt, the holder will, from and including the issue date of any Shares, be the legal owner of the Shares and will be entitled to dividends and to exercise voting rights attached to the Shares. The Company will bear all costs and expenses associated with the issue of Shares in accordance pursuant to these terms and conditions.

14. Quotation

The Performance Rights will not be quoted.

15. Quotation of Shares on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Performance Rights in accordance with the Listing Rules.

16. Timing of issue of Shares

As soon as practicable after the issue of a Notice of Exercise by the holder, the Company will:

- (a) issue, allocate or cause to be transferred to the holder (and/or its nominees) the number of Shares to which the holder (and/or its nominees) is entitled;
- (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder (and/or its nominees);
- (c) if required and subject to paragraph 17, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

17. Restrictions on transfer of Shares

If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on conversion of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

18. Variation to terms and conditions

The Directors may change the terms of the Performance Rights within reason where a variation is required to comply with the Corporations Act or the Listing Rules.

Schedule 5 Valuation of Director Performance Rights

17 February 2023

Osteopore Limited
Level G, 16 Ord Street
West Perth WA 6005

To whom it may concern,

Performance Rights Valuation

1 Introduction

- 1.1 At the request of Osteopore Limited (“**Osteopore**” or the “**Company**”), Stantons Corporate Finance Pty Ltd (“**Stantons**”) hereby sets out our technical valuation for the following performance rights (“**Performance Rights**”), to be issued to directors of the Company pending shareholder approval at the General Meeting scheduled for 31 March 2023 (the “**Meeting**”).

Table 1. Performance Rights Details

Security	Recipient	Number	Details	Vesting Condition	Exercise Price	Expiry date
Tranche A Performance Rights	Mark Leong	1,000,000	Performance Rights to be issued for nil consideration each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The earlier of the Company's 20-day Volume Weighted Average Price (“ VWAP ”) equalling or exceeding \$0.25 or the Company achieving a market capitalisation of \$32,500,000 on a fully diluted basis	Nil	5 years from issue
	Teoh Swee Hin	100,000				
	Daniel Ow	100,000				
Tranche B Performance Rights	Mark Leong	1,500,000	Performance Rights to be issued for nil consideration each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The earlier of the Company's 20-day VWAP equalling or exceeding \$0.30 or the Company achieving a market capitalisation of \$37,500,000 on a fully diluted basis	Nil	5 years from issue
	Teoh Swee Hin	150,000				
	Daniel Ow	150,000				
Tranche C Performance Rights	Mark Leong	1,750,000	Performance Rights to be issued for nil consideration each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The earlier of the Company's 20-day VWAP equalling or exceeding \$0.375 or the Company achieving a market capitalisation of \$47,500,000 on a fully diluted basis	Nil	5 years from issue
	Teoh Swee Hin	175,000				
	Daniel Ow	175,000				
Tranche D Performance Rights	Mark Leong	2,250,000	Performance Rights to be issued for nil consideration each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The earlier of the Company's 20-day VWAP equalling or exceeding \$0.475 or the Company achieving a market capitalisation of \$60,000,000 on a fully diluted basis	Nil	5 years from issue
	Teoh Swee Hin	225,000				
	Daniel Ow	225,000				

Tranche E Performance Rights	Mark Leong	2,750,000	Performance Rights to be issued for nil consideration each exercisable into one ordinary share at any time between meeting the vesting condition and the expiry date	The earlier of the Company's 20-day VWAP equalling or exceeding \$0.55 or the Company achieving a market capitalisation of \$70,000,000 on a fully diluted basis	Nil	5 years from issue
	Teoh Swee Hin	275,000				
	Daniel Ow	275,000				

- 1.2 We note the Performance Rights are not subject to any other vesting conditions besides the holder remaining in continuous service to the Company.
- 1.3 The valuation has been prepared in accordance with *AASB2: Share Based Payments* (“**AASB 2**”) to support the Company’s inclusion of a value of the Performance Rights in a Notice of Meeting to be distributed prior to the Meeting.
- 1.4 This report has been prepared for the internal purposes of the Company and is not to be publicly distributed without the express prior written consent of Stantons.

2 Valuation

Valuation Methodology

- 2.1 As per AASB 2, paragraph 10:

“For equity settled share-based payment transactions, the entity shall measure the goods and services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably.”

- 2.2 Where the fair value of goods and services received cannot be estimated reliably, including for transactions with employees and others providing similar services, the entity should measure the value based on the fair value of the equity instruments at the grant date. To achieve this, a valuation technique that indicates what the price of those equity instruments would have been on the grant date in an arm’s length transaction between knowledgeable, willing parties is used. The valuation technique must be consistent with generally accepted valuation methodologies for pricing financial instruments.
- 2.3 The Performance Rights will be issued for nil consideration and no consideration will be payable upon exercise. Therefore, the Performance Rights are analogous to zero-exercise price warrants¹.
- 2.4 The VWAP and market capitalisation based vesting conditions on the Performance Rights are considered market-based conditions. Under AASB 2, the value impact of a market condition should be included in the fair value determination at the grant date. A Monte Carlo simulation was used to incorporate a probability-based value impact of the market condition to determine the fair value of the Performance Rights.
- 2.5 Using Monte Carlo simulation methodology, we simulated daily Osteopore share prices from 2 February 2023 to 2 February 2028 using trading day increments. Based on the simulated share prices, we calculated the 20-day VWAPs as at each trading day from 2 February 2023 to 2 February 2028.
- 2.6 For the valuation purpose we assumed all Performance Rights will be exercised immediately on vesting.
- 2.7 In each iteration, if the vesting condition is met the value of a Performance Right is the simulated share price at the vesting date discounted to present value (at the risk-free rate), or if the condition is not met the value is zero.

¹ We note the Performance Rights are written by the Company and on exercise new shares will be issued, as opposed to being transferred by an existing shareholder. Accordingly, the Performance Rights are considered to be “warrants” as typically defined internationally (we note conventional use of the terms “options” and “warrants” differs in Australia) and will have a dilutive effect if exercised.

- 2.8 The fair value for each tranche of Performance Rights was calculated as the average simulated value over 100,000 iterations.

Valuation Inputs

Grant Date

- 2.9 Under AASB 2, share-based payments should be measured at their grant date, being the date at which there is a mutual understanding of the terms and a legally enforceable agreement. Where shareholder approval is required, the date on which approval is obtained is considered the grant date for financial reporting purposes.
- 2.10 Accordingly, for financial reporting purposes the grant date will be the date of the Meeting. For the valuation purpose, we assumed a grant date of 2 February 2023.

Expiry Date

- 2.11 The expiry date of the Performance Rights is 5 years from the issue date. For the valuation purpose we assumed an expiry date of 2 February 2028, based on our assumed grant date.

Spot Price

- 2.12 The closing price of Osteopore shares traded on the Australian Securities Exchange (“ASX”) as at 2 February 2023 was \$0.125, and this price is the deemed spot price for the valuation purpose.

Exercise Price

- 2.13 The Performance Rights have nil exercise price.

VWAP Hurdle/Market Capitalisation

- 2.14 The VWAP hurdles used in our valuation are as set out below.

Table 2. VWAP Hurdles

	Tranche A Performance Rights	Tranche B Performance Rights	Tranche C Performance Rights	Tranche D Performance Rights	Tranche E Performance Rights
VWAP hurdle	\$0.250	\$0.300	\$0.375	\$0.475	\$0.550

- 2.15 The Performance Rights may also vest by meeting market capitalisation conditions, which are calculated on a fully diluted basis. The Company currently has 123,934,904 ordinary shares and 3,187,500 options on issue.
- 2.16 We note 3,000,000 of the options will expire on 28 August 2023 and have an exercise price of \$1.20. For the valuation purpose we excluded those options from our fully diluted market capitalisation calculations, as they are well out of the money and expire early in the term of the Performance Rights. The remaining 187,500 options expire on 2 November 2025 and have an exercise price of \$0.624, and we have included these options in our fully diluted market capitalisation calculations.
- 2.17 We assumed the Company will not issue any new ordinary shares during the term of the Performance Rights.
- 2.18 Based on the above, we calculated VWAP equivalents for the market capitalisation hurdles based on a current position of 124,122,404 fully diluted shares outstanding.
- 2.19 The VWAP hurdles implied by the market capitalisation conditions are above the VWAP hurdles for all tranches. Accordingly, our model is driven by the VWAP hurdle condition.

Risk-Free Rate

- 2.20 We used the five-year Australian government bond rate as a proxy for the risk-free rate, being approximately 3.240% as at 2 February 2023. We note that under the assumptions of the Monte Carlo simulation, the risk-free rate should be on a continuously compounded basis and accordingly we converted the quoted bond rate to 3.189%.

Volatility

- 2.21 In determining the expected volatility of returns on Osteopore shares, as per AASB 2, we considered the historical volatility of the share price over the most recent period commensurate with the expected term of the Performance Rights.
- 2.22 Osteopore commenced trading on ASX on 23 September 2019, and therefore has insufficient trading history to determine the historical volatility for the period commensurate with the expected term of the Performance Rights.
- 2.23 The historical annualised volatility of Osteopore shares for the period from 23 September 2019 to 2 February 2023 was 90.44%.
- 2.24 Accordingly, we used an expected volatility factor of 90% in our valuations.

Dividends

- 2.25 We assumed that no dividends will be declared or paid by the Company during the term of the Performance Rights.

Capital Structure Effects

- 2.26 Exercise of the Performance Rights will result in new shares being issued, which will have a dilutionary impact on the Company's capital structure. The Company had 123,934,904 fully paid ordinary shares on as at 2 February 2023. The conversion of all the Performance Rights into up to 11,100,000 ordinary shares would have a dilutionary impact of approximately 8.22%.
- 2.27 As the issue of the Performance Rights was unknown to the market at the grant date, we consider the spot price used in our valuation does not reflect the potential dilutionary impact of the Performance Rights.
- 2.28 Based on the above we consider the potential dilutionary impact of exercising the Performance Rights may be material to the share price and we included a dilution factor in our Monte Carlo model, calculated as follows:

$$\text{Dilution factor} = \frac{N}{N + M}$$

Where: N = the number of ordinary shares outstanding prior to exercise; and

M = the number of shares to be issued on exercise of the Performance Rights.

- 2.29 Accordingly, we applied a dilution factor of 0.918 to our valuation.

Valuation

Performance Rights

- 2.30 Based on the above, our assessed values of the Performance Rights are as follows.

Table 3. Performance Rights Valuation

	Tranche A Performance Rights	Tranche B Performance Rights	Tranche C Performance Rights	Tranche D Performance Rights	Tranche E Performance Rights
Methodology	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo
Iterations	100,000	100,000	100,000	100,000	100,000
Assumed grant date	2 February 2023	2 February 2023	2 February 2023	2 February 2023	2 February 2023
Assumed expiry date	2 February 2028	2 February 2028	2 February 2028	2 February 2028	2 February 2028
Share price at grant date (\$)	0.125	0.125	0.125	0.125	0.125
Exercise price (\$)	nil	nil	nil	nil	nil
VWAP hurdle (\$)	0.250	0.300	0.375	0.475	0.550
Risk-free rate (%)	3.189	3.189	3.189	3.189	3.189
Volatility (%)	90	90	90	90	90
Dilution factor	0.918	0.918	0.918	0.918	0.918
Fair value per Performance Right (\$)	0.1050	0.1018	0.0972	0.0924	0.0891

2.31 The value of the Performance Rights by recipient is as set out below.

Table 4. Performance Rights Valuation by Recipient

	Mark Leong	Teoh Swee Hin	Daniel Ow
Tranche A Performance Rights	105,049	10,505	10,505
Tranche B Performance Rights	152,714	15,271	15,271
Tranche C Performance Rights	170,143	17,014	17,014
Tranche D Performance Rights	207,909	20,791	20,791
Tranche E Performance Rights	245,133	24,513	24,513

3 Conclusion

3.1 The valuations noted above are not necessarily the market prices that the Performance Rights could be traded at and are not necessarily the appropriate values for taxation purposes. Recipients of the Performance Rights should seek their own advice as to the tax treatments of receiving the Performance Rights.

3.2 Should you wish to discuss the above, do not hesitate to contact the undersigned.

Yours faithfully,

STANTONS CORPORATE FINANCE PTY LTD



James Turnbull, CFA
Authorised Representative

Schedule 6 Summary of material terms of the New Plan

The following is a summary of the material terms and conditions of the New Plan (**Plan**):

(a) **(Eligible Participant):** Eligible Participant means a person that has been determined by the Board to be eligible to participate in the New Plan from time to time and is an “ESS participant” (as that term is defined in Division 1A) in relation to the Company or an associated entity of the Company. This relevantly includes, amongst others:

- (i) an employee or director of the Company or an individual who provides services to the Company;
- (ii) an employee or director of an associated entity of the Company or an individual who provides services to such an associated entity;
- (iii) a prospective person to whom paragraphs (i) or (ii) apply;
- (iv) a person prescribed by the relevant regulations for such purposes; or
- (v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).

(b) **(Maximum allocation)** The Company must not make an offer of Securities under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

- (i) the total number of Plan Shares (as defined in paragraph (m) below) that may be issued or acquired upon exercise of the convertible securities offered; plus
- (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period,

would exceed 5% of the total number of Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or the Company's Constitution from time to time.

The maximum number of equity securities proposed to be issued under the Plan for the purposes of Listing Rule 7.2, Exception 13 will be as approved by Shareholders from time to time (**ASX Limit**). This means that, subject to the following paragraph, the Company may issue up to the ASX Limit under the Plan without seeking Shareholder approval and without reducing its placement capacity under Listing Rule 7.1.

The Company will require prior Shareholder approval for the acquisition of equity securities under the Plan to Directors, their associates and any other person whose relationship with the Company or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.

(c) **(Purpose):** The purpose of the Plan is to:

- (i) assist in the reward, retention and motivation of Eligible Participants;
- (ii) link the reward of Eligible Participants to Shareholder value creation; and
- (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

- (d) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The Board may delegate its powers and discretion.
- (e) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. An invitation issued under the Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.

- (f) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the successful applicant (**Participant**) the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.
- (g) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (h) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.
- (i) **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at

the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (j) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (k) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
 - (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, **(Plan Shares)** will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.
 - (n) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
 - (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding

Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.


- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.
- (q) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (r) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.


If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

LODGE YOUR VOTE

 **ONLINE**
<https://investorcentre.linkgroup.com>

 **BY MAIL**
Osteopore Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **BY FAX**
+61 2 9287 0309

 **BY HAND***
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

*During business hours Monday to Friday

 **ALL ENQUIRIES TO**
Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **11:00am (AWST) on Wednesday, 29 March 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

 **ONLINE**
<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

 **BY MOBILE DEVICE**
Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

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

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

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

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, 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, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**



X99999999999

PROXY FORM

I/We being a member(s) of Osteopore Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **11:00am (AWST) on Friday, 31 March 2023 at Ground Floor, 16 Ord Street, West Perth, WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 4a, 4b, 4c, 6 & 7: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 4a, 4b, 4c, 6 & 7, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Approval of potential termination benefits under the New Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Ratification of agreement to issue Vendor Performance Rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4a Approval of issue of up to 9,250,000 Director Performance Rights to Mr Mark Leong (and/or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4b Approval of issue of up to 925,000 Director Performance Rights to Professor Teoh Swee Hin (and/or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4c Approval of issue of up to 925,000 Director Performance Rights to Mr Daniel Ow (and/or his nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Approval of issue of Lead Manager Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Approval of New Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

OSX PRX2301D

