



WE CREATE SOLUTIONS

ASX ANNOUNCEMENT

29 May 2023

NOTICE OF GENERAL MEETING

Dear Shareholder,

RemSense Technologies Limited ("**RemSense**" or "**the Company**") will be holding a General Meeting of shareholders at 10.00 am (**AWST**) on 28 June 2023 at Level 9, St Martin's Centre, 40 St Georges Terrace, Perth, Western Australia.

In accordance with section 110D of the *Corporations Act 2001* (Cth), the Company will not be sending physical copies of the Notice of Meeting (**NoM**) to shareholders unless a shareholder has elected to receive the NoM in hard copy pursuant to section 110E, or who otherwise requests a hard copy. Instead, a copy of the NoM can be viewed and downloaded online at the following link:

<https://remsense.com.au/investors/asx-announcements/>

Should you wish to receive a physical copy of the NoM, please contact the Company Secretary at davidm@broadwaymgt.com.au or via phone on 0412902477.

A copy of the proxy form is enclosed in the NoM located at the above link. Proxy votes may be lodged by either of the following methods:

- By mail to PO Box 584, Fremantle, WA, 6959; or
- By scan and email to the Company Secretary.

Your proxy voting instruction must be received by 10.00 am (**AWST**) 26 June 2023, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after this time will not be valid for the meeting.

The NoM is important and should read in its 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 you have any difficulties obtaining a copy of the NoM, please contact the Company Secretary.

For and on behalf of
RemSense Technologies Limited

A handwritten signature in black ink that reads 'D McArthur'.

David McArthur
Company Secretary

REMSENSE TECHNOLOGIES LIMITED
ACN 648 834 771
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10.00 am

DATE: 28 June 2023

PLACE: Level 9, St Martin's Centre, 40 St Georges Terrace,
Perth, Western Australia.

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

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

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00 pm on 26 June 2023.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF ISSUE OF PLACEMENT SHARES

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,333,333 Shares on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

2. RESOLUTION 2 – RATIFICATION OF ISSUE OF PLACEMENT OPTIONS

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,333,333 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

3. RESOLUTION 3 – APPROVAL TO ISSUE LEAD MANAGER OPTIONS

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

"That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 6,000,000 Options on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement applies to this Resolution. Please see below.

4. RESOLUTION 4 – APPROVAL OF EMPLOYEE INCENTIVE SECURITIES PLAN

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

"That, for the purposes of Listing Rule 7.2 (Exception 13(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Employee Incentive Securities Plan and for the issue of Securities under that plan, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

5. RESOLUTION 5: ISSUE OF OPTIONS TO DIRECTOR – MR CHRIS SUTHERLAND

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

"That, for the purpose of ASX Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Director Options to Mr Chris Sutherland, or his nominee, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

6. RESOLUTION 6: ISSUE OF OPTIONS TO DIRECTOR – MR ROSS TAYLOR

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

"That, for the purpose of ASX Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Director Options to Mr Ross Taylor, or his nominee, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

7. RESOLUTION 7: ISSUE OF OPTIONS TO DIRECTOR – MRS SUSAN MURPHY

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

"That, for the purpose of ASX Listing Rule 10.11, sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Director Options to Mrs Susan Murphy or her nominee, on the terms and conditions set out in the Explanatory Statement."

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

Dated: 22 May 2023

By order of the Board



David McArthur
Company Secretary

Voting Prohibition Statements

Resolutions 4, 5, 6 and 7	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none">(a) the proxy is either:<ul style="list-style-type: none">(i) a member of the Key Management Personnel; or(ii) a Closely Related Party of such a member; and(b) the appointment does not specify the way the proxy is to vote on this Resolution. <p>However, the above prohibition does not apply if:</p> <ul style="list-style-type: none">(a) the proxy is the Chair; and(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolutions 1 and 2	A person who participated in the issue or an associate of that person or those persons.
Resolution 3	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
Resolution 4	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.
Resolutions 5, 6 and 7	The relevant Director (or their nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

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

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair 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:
 - (a) 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
 - (b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

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

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

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

Shareholders and their proxies should be aware that:

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

Voting in person

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

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that Resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from the Company's Share Registry will need to verify your identity. You can register from 9.30 am on the day of the Meeting.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 0412902477.

EXPLANATORY STATEMENT

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

1. RESOLUTIONS 1 AND 2 – RATIFICATION OF ISSUE OF PLACEMENT SHARES AND OPTIONS

1.1 General

On 27 March 2023, the Company issued 6,333,333 Shares (**Shares**) at an issue price of \$0.075 per Share to raise \$475,000 before costs. A further 6,333,333 Options were issued on 26 April 2023 as free attaching options (**Options**), such options exercisable at 15 cents each on or before 15 December 2025.

The issue of the Shares and Options did not breach Listing Rule 7.1 at the time of the issue.

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

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 this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 21 November 2022.

The issue of the Shares and Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares and Options.

Resolutions 1 and 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Shares and Options.

1.2 Technical information required by Listing Rule 14.1A

If Resolution 1 and 2 are passed, the Shares and Options issued will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares and Options.

If Resolution 1 and 2 are not passed, the Shares and Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Shares and Options.

1.3 Technical 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 Resolution 1:

- (a) the Shares and Options were issued to professional and sophisticated investor clients of who are clients of Peak Asset Management. The recipients were identified through a bookbuild process, which involved Peak Asset Management seeking expressions of interest to participate in the capital raising from non-related parties of the Company.
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 6,333,333 Shares were issued and the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) 6,333,333 options were issued, exercisable at 15c on or before 15 December 2025 and otherwise on the terms and conditions set out in Schedule 1;
- (e) the Shares were issued on 27 March 2023;
- (f) the Options were issued on 26 April 2023;
- (g) the issue price was \$0.075 per Share. The Company has not and will not receive any other consideration for the issue of the Shares;
- (h) The options were issued for Nil consideration. Where all the Options are exercised prior to their expiry date, the Company would receive a further \$950,000 from the exercise of those Options; and
- (i) the purpose of the issue of the Shares (and Options) was to raise \$475,000 (before costs), which will be applied towards expansion of sales and marketing opportunities for Virtualplant.

2. RESOLUTION 3 – APPROVAL TO ISSUE BROKER OPTIONS

2.1 General

The Company entered into an agreement proposing to issue 6,000,000 options (**Broker Options**) to Peak Asset Management as Lead Manager to the recently

completed Entitlements Issue (**Issue**), subject to the Issue raising a minimum of \$1.525 million (including placement of shortfall arising from the Entitlement Issue).

The Broker Options are to be issued for no cash consideration.

As summarised in Section 1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed issue of the Broker Options does not fall within any of the exceptions set out in Listing Rule 7.2 and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of Shareholders under Listing Rule 7.1.

2.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Broker Options. In addition, the issue of the Broker Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the issue of the Broker Options. The Company will then be required to make a cash payment in lieu of the Broker Options to the Lead Manager, such payment capped at 5% of the amount raised by the Broker from the shortfall of the Entitlements Offer.

2.3 Technical 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 Resolution 3:

- (a) the Broker Options will be issued to Peak Asset Management or its nominee/s;
- (b) in accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients will be:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (a) the maximum number of Broker Options to be issued is 6,000,000. The terms and conditions of the Options are set out in Schedule 1;
- (b) the Broker Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that issue of the Broker Options will occur on the same date;
- (c) no cash consideration will be paid for the Broker Options. The Company will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);

- (d) the Options are being issued to Peak Asset Management under its agreement to act as lead manager to the placement of Shares and Options in the Company; and
- (e) the Broker Options are not being issued under, or to fund, a reverse takeover.

3. RESOLUTION 4 – APPROVAL OF EMPLOYEE INCENTIVE PLAN

3.1 General

Resolution 4 seeks Shareholder approval for the adoption of the employee incentive plan titled "Employee Incentive Securities Plan" (**Incentive Plan**) and for the issue of Securities under the Incentive Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The objective of the Incentive Plan is to attract, motivate and retain key employees and the Company considers that the adoption of the Incentive Plan and the future issue of Securities under the Incentive Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

As summarised in Section 1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

If Resolution 4 is passed, the Company will be able to issue Securities under the Incentive Plan to eligible participants over a period of 3 years. The issue of any Securities to eligible participants under the Incentive Plan will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Securities under the Incentive 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.

If Resolution 4 is not passed, the Company will be able to proceed with the issue of Securities under the Incentive Plan to eligible participants, but any issues of Securities will reduce, to that extent, the Company's capacity to issue equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Shares.

3.2 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 4:

- (a) a summary of the key terms and conditions of the Share Plan is set out at Schedule 2 to this notice.
- (b) the Company has issued 3,835,000 Securities under the Incentive Plan since the Company was admitted to the Official List; and
- (c) the Company is seeking Shareholder approval to adopt the Plan to include the new terms and conditions required by Division 1A of Part 7.12 of the Corporations Act, which replaced the previous relief provided by ASIC Class Order 14/1000 (Employee Incentive Scheme).

4. RESOLUTIONS 5 TO 7: APPROVAL TO ISSUE OPTIONS TO DIRECTORS

The Company has agreed, subject to shareholder approval, to issue 9 million Options (**Director Options**) to Chris Sutherland (3 million Director Options), Ross Taylor (3 million Director Options) and Susan Murphy (3 million Director Options), all non- executive Directors of the Company (**Related Party**), on the terms and conditions set out in Schedule 3 to this notice of meeting.

For a public company to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in 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 grant of the Director Options constitutes giving a financial benefit, and Messrs Sutherland, Murphy and Taylor are Related Parties of the Company by virtue of being Directors.

In addition, Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in Listing Rule 10.12 applies. It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and Listing Rule 10.12 do not apply in the current circumstances. Accordingly, Shareholder approval is sought for the grant of Director Options to the Related Parties.

1.1 Director recommendation

Each Director (other than Stephen Brown) has a material personal interest in the outcome of Resolutions 5, 6 and 7 on the basis that three of the four Directors (or their nominees) are to be issued Director Options should Resolutions 5, 6 and 7 be passed. For this reason, Chris Sutherland, Ross Taylor and Susan Murphy do not believe that it is appropriate to make a recommendation on Resolutions 5, 6 or 7. Stephen Brown, the Company's Managing Director recommends Shareholders vote in favour of Resolutions 5, 6 and 7 as the Director Options are a cost effective

way of aligning the interests of the non-executive Directors with the Company and its Shareholders.

Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to, and in accordance with, the requirements of Sections 217 to 227 of the Corporations Act and Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options:

- (a) the Related Parties are Chris Sutherland, Susan Murphy and Ross Taylor as identified under ASX Listing Rule 10.11.1 by virtue of being Directors.
- (b) the maximum number of Director Options (being the nature of the financial benefit being provided) to be granted to the Related Parties is 9,000,000, being 3,000,000 Director Options to each Director;
- (c) the Director Options will be exercisable at 15 cents per Option on or before 10 December 2025 and otherwise on the terms and conditions set out in Schedule 3;
- (d) the Director Options will be granted to the Related Parties no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Options will be issued on one date;
- (e) the Director Options will be granted for nil cash consideration; accordingly, no funds will be raised;
- (f) the value of the Director Options is \$234,450 and the pricing methodology is set out in Schedule 4 to this notice of meeting;
- (g) the relevant interests of the Directors as of the date of this notice are:

Director	Shares	Options
Christopher Sutherland	1,026,929	2,004,594 ¹
Susan Murphy	Nil	Nil
Ross Taylor	166,795	1,803,460 ²

Notes:

- 1. Comprising 1,097,861 Series A Options exercisable at \$0.25 on or before 30 June 2023, 400,000 Series B Options exercisable at \$0.40 on or before 30 June 2025, 250,000 Series C Options exercisable at \$0.30 on or before 30 June 2024 and 256,733 options exercisable at \$0.15 on or before 15 December 2025.
 - 2. Comprising 1,477,861 Series A Options exercisable at \$0.25 on or before 30 June 2023, 20,000 Series B Options exercisable at \$0.40 on or before 30 June 2025, 250,000 Series C Options exercisable at \$0.30 on or before 30 June 2024 and 55,599 options exercisable at \$0.15 on or before 15 December 2025.
- (h) the Related Parties each receive Director remuneration for the current financial year as follows:

Director	FY ending 30 June 2023 (\$)	FY ending 30 June 2022 (\$) ⁴	FY ending 30 June 2021 (\$) ⁴
Christopher Sutherland	70,548 ¹	108,337	63,494
Stephen Brown	346,300 ²	328,809	305,890
Ross Taylor	70,548 ³	85,593	50,952

Notes:

1. Comprising of \$45,000 cash salary and fees, \$12,146 D&O insurance premiums, \$4,725 superannuation and \$8,677 equity settled options.
2. Comprising of \$275,000 cash salary and fees, \$12,146 D&O insurance premiums, \$28,875 superannuation, \$12,924 long service leave and \$17,355 equity settled options.
3. Comprising of \$45,000 cash salary and fees, \$12,146 D&O insurance premiums, \$4,725 superannuation and \$8,677 equity settled options.
4. The remuneration outlined above reflects the total remuneration paid to directors inclusive of fees and salaries, insurances, superannuation, leave and share based payments as per the Director's Report included in the 2021 and 2022 Annual Reports.

- (i) if the Director Options granted to the Related Parties are exercised, a total of 9,000,000 Shares would be issued. This will increase the number of shares on issue from 93,770,089 to 102,770,089 (assuming that no other Options are exercised and no other shares issued) with the effect that the shareholding of existing shareholders would be diluted by 8.75%, being 2.91% for each Director receiving the Director Options.

The market price for shares during the term of the Director Options would normally determine whether or not the Director Options are exercised. If, at any time, any of the Director Options are exercised and the shares are trading on ASX at a price that is higher than the exercise price of the Director Options, there may be a perceived cost to the Company in that the shares issued on conversion of the options will be issued at less than the prevailing market price of shares in the company.

- (j) the trading history of the shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

	(\$)	Date
Highest	\$0.22	17 – 19 May 2022
Lowest	\$0.062	9 – 10 May 2023
Last	\$0.062	11 May 2023

- (k) the primary purpose of the issue of the Director Options is to provide a market linked incentive to the Related Parties to motivate and reward their performance in their role as a Directors;
- (l) the Board acknowledges the grant of Related Party Options to a Director is contrary to Recommendation 8.3 of The Corporate Governance Principles and Recommendations, however the Board considers the grant of Related Party Options to the Director reasonable in the circumstances for the reason set out in paragraph (m);

- (m) The Board (each of whom declares an interest in the resolutions) recommend that Shareholders vote in favour of this Resolution for the following reasons:
- (i) the grant of Director Options to the Related Parties will align the interests of the Related Parties with those of Shareholders;
 - (ii) the grant of the Director Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the Related Parties; and
 - (iii) it is not considered that there are any significant opportunity costs to the Company or opportunities foregone by the Company in granting the Director Options upon the terms proposed;
- (n) in forming their recommendations, the Director considered the experience of the Related Parties, the current market price of Shares, the current market practices when determining the number of Director Options to be granted as well as the exercise prices and expiry dates of those Director Options; and
- (o) 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 the Resolution.

Approval pursuant to Listing Rule 7.1 is not required in order to issue the Director Options to the Related Party as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of Director Options to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

Should shareholders approve Resolutions 5 to 7 the Company will be able to grant the Director Options to the Directors as a method for remuneration that is an alternative for cash remuneration to preserve cash reserves for utilisation on operations.

Should shareholders not approve Resolutions 5 to 7 the Company will not be able to grant Director Options to the Directors as a method for remuneration that is an alternative for cash remuneration to preserve cash reserves for utilisation on operations.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

Board means the current board of directors of the Company.

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

Chair means the chair of the Meeting.

Company means RemSense Technologies Limited (ACN 648 834 771).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

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

Explanatory Statement means the explanatory statement accompanying the Notice.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5.00 pm (WST) on 15 December 2025 (**Expiry Date**). A Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company

must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – SUMMARY OF EMPLOYEE INCENTIVE PLAN

The material terms and conditions of the Employee Incentive Plan are as follows:

Eligibility

The Board may from time to time determine that an Eligible Participant may participate in the Plan.

Invitation

Following determination that an Eligible Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to that Eligible Participant.

An Invitation to an Eligible Participant to apply for Convertible Securities may be made on such terms and conditions as the Board decides from time to time, including as to:

- (i) the number of Convertible Securities for which that Eligible Participant may apply;
- (ii) the Grant Date;
- (iii) the amount payable (if any) for the grant of each Convertible Security or how such amount is calculated;
- (iv) the Exercise Price (if any);
- (v) the Vesting Conditions (if any);
- (vi) disposal restrictions attaching to the Shares issued upon exercise of Convertible Securities (if any);

Acceptance of Application

- (b) The Board may accept an Application from an Eligible Participant in whole or in part.
- (c) The Company may not grant a Convertible Security to an Eligible Participant unless it has received a duly signed and completed Application Form together with all applicable Ancillary Documentation from that Eligible Participant. The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation, and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

Plan administration

The Plan will be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

Disposal restriction

If the Invitation provides that any Shares issued to a Participant on exercise of the 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, including but not limited to imposing an ASX Holding Lock (where applicable) on the Shares or using an employee share trust to hold the Shares during the relevant restriction period.

Leaver

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant ("Leaver") all unvested Convertible Securities will automatically be forfeited by the Participant.

Effect of Forfeiture of Plan Securities

Where a Convertible Security has been forfeited in accordance with these Rules:

- (a) the Convertible Security will automatically lapse;
- (b) the Participant or the Participant's agent or attorney must sign any transfer documents required by the Company to effect the forfeiture of that Convertible Security; and
- (c) the Company will not be liable for any damages or other amounts to the Participant in respect of that Convertible Security.

Compliance with Applicable Laws

- (a) Notwithstanding these Rules or any terms of a Convertible Security, no Convertible Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any Applicable Laws.
- (b) In particular, where monetary consideration is payable by the Eligible Participant, and in respect of Convertible Securities where the Exercise Price on exercise of those Convertible Securities is greater than zero, the Company must reasonably believe when making an Invitation:
 - (i) the total number of Shares that are, or are covered by the Convertible Securities that may be issued under an Invitation; and
 - (ii) the total number of Shares that are, or are covered by the Convertible Securities that have been issued, or could have been issued in connection with the Plan in reliance on the Corporations Act Exemption at any time during the previous 3 year period prior to the date the Invitation is made,

does not exceed 5% of the issued capital of the Company at the date of the Invitation (unless the Constitution specifies a different percentage).

Vesting

A Convertible Security will vest when a Vesting Notice in respect of that Convertible Security is given to the Participant.

Waiver of Vesting Condition

A Vesting Condition for a Convertible Security may, subject to Applicable Laws, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

Exercise of Convertible Securities

A Convertible Security may not be exercised unless and until that Convertible Security has vested, or such earlier date on which the Participant is entitled to exercise that Convertible Security in accordance with these Rules.

To exercise a Convertible Security, the Participant must:

- (a) deliver a signed Notice of Exercise; and
 - (b) pay the Exercise Price (if any) to or as directed by the Company,
- at any time prior to the earlier of:
- (i) any date specified in the Vesting Notice; and
 - (ii) the Expiry Date.

For the avoidance of doubt the total Exercise Price payable by the Participant on exercise of their Convertible Securities is the Exercise Price multiplied by the number of Convertible Securities being exercised by that Participant, rounded up to the nearest cent.

If the Participant does not deliver a signed Notice of Exercise and pay the Exercise Price to or as directed by the Company in relation to a Convertible Security by the requisite date, that Convertible Security will automatically be forfeited.

Cashless exercise of Convertible Securities

At the time of exercise of the Convertible Securities, subject to Board approval at that time, 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 allot to the Participant that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Convertible Securities (with the number of Shares rounded down to the nearest whole Share).

Cash Payment Facility

The Board may, by inclusion of a term in the Invitation, allow for a cash payment facility whereby in lieu of issuing or transferring a Share to the Participant on exercise of the Performance Right, the Company shall pay the Participant or his or her personal representative (as the case may be) a cash payment.

Change of Control

If a Change of Control Event occurs unvested Convertible Securities will vest unless the Board determines in its discretion otherwise. The Board's discretion in determining the treatment of any unvested Convertible Securities on a Change of Control Event is limited to vesting or varying the Vesting Conditions in respect to the Convertible Securities and does not include a discretion to lapse or forfeit unvested Convertible Securities for less than fair value.

SCHEDULE 3 – TERMS AND CONDITIONS OF DIRECTOR OPTIONS

(a) **Entitlement**

Each Director Option entitles the holder to subscribe for one Share upon exercise of the Director Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Director Option will be \$0.15 (**Exercise Price**).

(c) **Expiry Date**

Each Director Option will expire at 5.00 pm (WST) on 10 December 2025 (**Expiry Date**). A Director Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Director Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Director Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Director Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Director Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Director Options.

If a notice delivered under (g)(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Director Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Director Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Director Options without exercising the Director Options.

(k) **Change in exercise price**

A Director Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Director Option can be exercised.

(l) **Transferability**

The Director Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 4 – VALUATION OF DIRECTOR OPTIONS TO BE ISSUED

The Company has valued the Options using the Black-Scholes option model and based on the assumptions as set out in the table below, with the Options ascribed a value as follows:

Assumptions:

Value date	3 May 2023
Share price	\$0.07
Exercise price	\$0.15
Term	24 months
Expiry Date	10 December 2025
Volatility	90%
Risk free interest rate	3.02

Indicative value per Option (cents)	\$0.0265
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Total value of Options
per Director:

Chris Sutherland	\$78,150
Ross Taylor	\$78,150
Susan Murphy	\$78,150

CERTIFICATE OF APPOINTMENT OF CORPORATE REPRESENTATIVE

Shareholder Details

This is to certify that by a resolution of the Directors of:

.....(*Company*),
Insert name of Shareholder Company

the Company has appointed:

.....
Insert name of corporate representative

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that Company at a general meeting of the members of RemSense Technologies Limited to be held at 10.00 am on 28 June 2023 and at any adjournments of that general meeting.

DATED

Please sign here

Executed by the Company)
in accordance with its constituent documents)
)

.....
Signed by authorised representative

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

.....
Position of authorised representative (print)

Instructions for Completion

- Insert name of appointing Shareholder Company and the name or position of the appointee corporate representative (eg “John Smith” or “each director of the Company”).
- Execute the Certificate following the procedure required by your Constitution or other constituent documents.
- Print the name and position (eg director) of each authorised company officer who signs this Certificate on behalf of the Company.

- Insert the date of execution where indicated.
- Prior to the Meeting, send or deliver the Certificate to the registered office of RemSense Technologies Limited at Level 1, 31 Cliff Street, Fremantle WA or email the Certificate to the Company Secretary – davidm@broadwaymgt.com.au

PROXY FORM

REMSENSE TECHNOLOGIES LIMITED

ACN 648 834 771

GENERAL MEETING

I/We

Address

Appoint

being a Member of RemSense Technologies Limited entitled to attend and vote at the General Meeting, hereby

Name of proxy (**Please note:** Leave blank if you have selected the Chair of the General Meeting as your proxy.)

OR

☐ the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions or if no directions have been as the proxy sees fit, at the General Meeting to be held at 10.00 am on 28 June 2023 at Level 9, St Martin's Centre, 40 St Georges Terrace, Perth, Western Australia and at any adjournment of that meeting.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote. In exceptional circumstances, the Chair of the Meeting may change their voting intention on any resolution, in which case an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on Business of the General Meeting

Resolution 1: Ratification of Issue of Placement Shares

FOR AGAINST ABSTAIN

☐☐☐

Resolution 2: Ratification of Issue of Placement Options

☐☐☐

Resolution 3: Approval to Issue Lead Manager Options

☐☐☐

Resolution 4: Approval of Employee Incentive Securities Plan

☐☐☐

Resolution 5: Approval of Issue of Options – Chris Sutherland

☐☐☐

Resolution 6: Approval of Issue of Options – Ross Taylor

☐☐☐

Resolution 7: Approval of Issue of Options – Susan Murphy

☐☐☐

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

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

Signature of Member(s) _____ Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____

Contact Ph (daytime): _____

Date: _____

Instructions for completing Proxy Form

- (Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
- (Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
- (Signing instructions):**

 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
- (Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

5.

6. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- In person to Level 1, 31 Cliff Street, Fremantle, Perth, WA;
- By mail to PO Box 584, Fremantle, WA, 6959;
- By scan and email to **davidm@broadwaymgt.com.au**,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.