

Botanix Pharmaceuticals Limited

ABN 70 009 109 755

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

Wednesday, 8 November 2023

Time of Meeting

9.00am AWST

Place of Meeting

The offices of BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth WA, Australia

A Proxy Form is enclosed or has otherwise been provided to you.

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the Proxy Form in accordance with the specified directions.

BOTANIX PHARMACEUTICALS LIMITED

ABN 70 009 109 755

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Botanix Pharmaceuticals Limited ABN 70 009 109 755 will be held at the offices of BDO, Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth WA, Australia on Wednesday, 8 November 2023 at 9.00am (AWST) for the purpose of transacting the following business referred to in this Notice of Annual General Meeting.

AGENDA

Financial Reports

To receive and consider the financial report of the Company for the year ended 30 June 2023, together with the Directors' Report and the Auditor's Report as set out in the Annual Report.

1 Resolution 1 – Non-Binding Resolution to adopt Remuneration Report

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

"That the Remuneration Report for the year ended 30 June 2023 as set out in the Annual Report be adopted."

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

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

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed Resolution **or** the proxy is the Chair of the Meeting and the appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel; and
- (b) it is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or their Closely Related Parties.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution ; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

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

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

2 Resolution 2 – Re-election of Mr Vincent Ippolito as a Director

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

"That, Mr Vincent Ippolito, who retires in accordance with Article 6.3(b)(ii) of the Constitution and Listing Rule 14.4 and, being eligible for re-election, be re-elected as a Director."

3 Resolution 3 – Re-election of Mr Matthew Callahan as a Director

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

"That, Mr Matthew Callahan, who retires in accordance with Article 6.3(b)(ii) of the Constitution and Listing Rule 14.4 and, being eligible for re-election, be re-elected as a Director."

4 Resolution 4 – Approval of Additional 10% Placement Capacity

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

"That, for the purpose of Listing Rule 7.1A and all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum."

No voting exclusion statement is included for this Resolution because the Company is not proposing any issue of Equity Securities under Listing Rule 7.1A as at the date of this Notice.

5 Resolution 5 - Approval of potential termination benefits to Dr Howard McKibbon (or his nominee(s))

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

"That for the purposes of Listing Rule 10.19 and sections 200B and 200E of the Corporations Act, and for all other purposes, the potential termination benefits described in the Explanatory Memorandum which may become payable to Dr Howard McKibbon (or his nominee(s)), be approved."

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

- (a) an officer of the Company or any of its child entities who is entitled to participate in a termination benefit; or
- (b) an Associate of that person.

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

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

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

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

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

6 Resolution 6 – Approval of Employee Awards Plan

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

"That, pursuant to and in accordance with Listing Rule 7.2, Exception 13(b) and for all other purposes, Shareholders approve any issue of up to a maximum of 150,000,000 securities under the Plan over a period of up to 3 years from the date of the Meeting for employees and Directors known as the "Employee Awards Plan", a summary of the rules of which are set out in the Explanatory Memorandum (including Annexure C to the Explanatory Memorandum), as an exception to Listing Rules 7.1 and 7.1A."

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

- (a) a person who is eligible to participate in the employee incentive scheme; or
- (b) an Associate of 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 of the Meeting as a 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;
- (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 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.

Further, a Restricted Voter who is appointed as a proxy will not vote on the Resolution unless:

- (a) the appointment specifies the way the proxy is to vote on the Resolution; or
- (b) the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of the Resolution.

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

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

OTHER BUSINESS

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

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Memorandum.

By order of the Board



Susan Park
Company Secretary

Dated: 6 October 2023

How to vote

Shareholders can vote by either:

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

Voting in person (or by attorney)

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

Questions at the Meeting

Please note, only Shareholders may ask questions once they have been verified. It may not be possible to respond to all questions. Shareholders are encouraged to submit questions prior to the AGM (please see below).

A Shareholder who is entitled to vote at the meeting may submit a written question to the Company in advance of the Meeting. We ask that all pre-Meeting questions be received by the Company no later than 2 days before the date of the AGM, being 5.00 pm (AWST) on Monday, 6 November 2023. Any questions should be directed to info@botanixpharma.com.

Voting by a Corporation

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

Voting by proxy

- A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.
- The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).

- A proxy need not be a Shareholder.
- The proxy can be either an individual or a body corporate.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolutions 1, 5 and 6 in accordance with a direction on how the proxy is to vote or, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chair of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chair of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chair of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support each of the Resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed Resolutions. However, in exceptional circumstances, the Chair of the Meeting may change his voting intention, in which case an ASX announcement will be made. These rules are explained in this Notice.
- To be effective, proxies must be received by 9.00am (AWST) on 6 November 2023. Proxies received after this time will be invalid.
- Proxies may be lodged using any of the following methods:
 - by returning a completed Proxy Form by post to:
Automic
GPO Box 5193
Sydney NSW 2001
or

- by returning a complete Proxy Form and delivering it in person at:
Automic
Level 5, 126 Phillip Street
Sydney NSW 2000
 - by faxing a complete Proxy Form to +61 2 8583 3040;
or
 - by email to:
meetings@automicgroup.com.au
or
 - by recording the proxy appointment and voting instructions via the internet at <https://investor.automic.com.au/#/loginsah>.
Only registered Shareholders may access this facility and will need their Holder Identification Number (**HIN**) or Securityholder Reference Number (**SRN**)
- The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 9.00am (AWST) on 6 November 2023. If facsimile transmission is used, the Power of Attorney must be certified.

Shareholders who are entitled to vote

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 4.00pm (AWST) on 6 November 2023.

Receiving shareholder communications

Shareholders can elect to receive some or all of their communications in physical or electronic form, or elect not to receive certain documents. To review your communications preferences, or sign up to receive your shareholder communications via email, please update your details by contacting Automic on 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

BOTANIX PHARMACEUTICALS LIMITED

ABN 70 009 109 755

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of the Company.

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

Financial Reports

The first item of the Notice deals with the presentation of the consolidated annual financial report of the Company for the financial year ended 30 June 2023, together with the Directors' declaration and report in relation to that financial year and the Auditor's Report on the financial report. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item.

Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the management of the Company.

The Chair will also give Shareholders a reasonable opportunity to ask the Auditor or the Auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the independent audit report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

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

1 Resolution 1 – Non Binding Resolution to Adopt Remuneration Report

1.1 Background

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

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

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at two consecutive annual general meetings, the Company will be required to put a resolution to the second annual general meeting (**Spill Resolution**), to approve calling a general meeting (**Spill Meeting**). If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must then convene a Spill Meeting within 90 days of the second annual general meeting. All of the Directors who

were in office when the applicable Directors' Report was approved, other than the Managing Director, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors. The remuneration report for the financial year ended 30 June 2022 did not receive a vote of more than 25% against its adoption at the 2022 AGM. Accordingly, if at least 25% of the votes cast on this Resolution are against adoption of the Remuneration Report it will not result in the Company putting a Spill Resolution to Shareholders.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any equity based compensation.

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

1.2 Voting

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

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

2 Resolution 2 – Re-election of Mr Vincent Ippolito as a Director

2.1 Background

Pursuant to Article 6.3(b)(ii) of the Constitution and Listing Rule 14.4, Mr Vincent Ippolito, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

If the Resolution is passed, Mr Vincent Ippolito will be re-elected and will continue to act as a Director. If the Resolution is not passed, Mr Vincent Ippolito will not be re-elected and will cease to act as a Director.

2.2 Qualifications

Mr Ippolito has more than 30 years' experience in the pharmaceuticals industry, including over 20 years' experience in dermatology.

Most recently, Mr Ippolito served as President and Chief Operating Officer of Dermavant Sciences, a specialty biopharmaceutical company that is commercialising products which treat inflammatory skin diseases and medical dermatologic conditions. Mr Ippolito also sits on the Board of Suneva Medical, a privately held regenerative aesthetics company.

Prior to his role at Dermavant Sciences, Mr Ippolito served as the Chief Commercial Officer and Executive Vice President of Anacor Pharmaceuticals, a dermatology-based biopharmaceutical company. During his time at Anacor, he was responsible for building the marketing and sales functions, and developing the company's product portfolio, as well as playing a key role in the US\$5.2 billion sale to Pfizer.

Earlier in his career, Mr Ippolito launched multiple new dermatology products during his tenure at Medicis Pharmaceutical Corporation, an industry-leading dermatology company. Mr. Ippolito served in multiple key executive roles, including Chief Commercial Officer, General Manager of Dermatology products, Senior Vice President of North American Sales and Executive Vice President, Sales and Marketing. Mr Ippolito played a key role in the sale of Medicis to Valeant for US\$2.6bn in 2012 and he went on to serve as Senior Vice President, General Manager, Aesthetics.

2.3 Other material directorships

Mr Ippolito does not currently hold any other directorship positions.

2.4 Independence

Mr Ippolito was appointed to the Board on 18 July 2019. Mr Ippolito is an executive Director and is not considered an independent Director as he is employed in an executive capacity.

2.5 Board recommendation

Based on Mr Ippolito's relevant experience and qualifications the members of the Board, in the absence of Mr Ippolito, support the re-election of Mr Ippolito as a director of the Company and recommend that Shareholders vote in favour of Resolution 2.

Resolution 2 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 2.

3 Resolution 3 – Re-election of Mr Matthew Callahan as a Director

3.1 Background

Pursuant to Article 6.3(b)(ii) of the Constitution and Listing Rule 14.4, Mr Matthew Callahan, being a Director, retires by way of rotation and, being eligible, offers himself for re-election as a Director.

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

If the Resolution is passed, Mr Matthew Callahan will be re-elected and will continue to act as a Director. If the Resolution is not passed, Mr Matthew Callahan will not be re-elected and will cease to act as a Director.

3.2 Qualifications

Mr Callahan is a respected life sciences executive with more than 25 years of legal, IP and investment management experience. He is the founding CEO or Executive Director of a number of pharmaceutical and health tech companies including iCeutica Inc, Churchill Pharma Inc. Dimerix Biosciences, Respiration Pty Ltd and Orthocell Limited.

Mr Callahan has worked as an investment director for two venture capital firms investing in life sciences, clear technology and other sectors, and was general manager of Australian listed technology and licensing company ipernica (now Nearmap Limited ASX:NEA), where he was responsible for licensing programs that have generated over \$120 million in revenue.

Mr Callahan holds a Bachelor of Laws (Honours) and a Master of Business Administration.

3.3 Other material directorships

Currently, Mr Callahan is also a director of Orthocell Limited (ASX:OCC). Mr Callahan does not currently hold any other directorship positions.

3.4 Independence

Mr Callahan was appointed to the Board on 1 July 2016, resigned on 23 August 2019 and was re-appointed on 10 February 2020. Mr Callahan is an executive Director and is not considered an independent Director as he is employed in an executive capacity.

3.5 Board recommendation

Based on Mr Callahan's relevant experience and qualifications the members of the Board, in the absence of Mr Callahan, support the re-election of Mr Callahan as a director of the Company and recommend that Shareholders vote in favour of Resolution 3.

Resolution 3 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 3.

4 Resolution 4 – Approval of Additional 10% Placement Capacity

4.1 Background

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 securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, 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% (**Listing Rule 7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. As at the date of this Notice, the Company is an eligible entity for these purposes. If, on the date of the Meeting, the Company's market capitalisation exceeds \$300 million, then this Resolution will no longer be effective and will be withdrawn.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval. This Resolution requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) in order to be passed.

If this Resolution is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

4.2 The number of Equity Securities which may be issued pursuant to the Listing Rule 7.1A Mandate

Based on the number of Shares on issue at the date of this Notice, the Company has 1,421,196,813 Shares on issue and therefore, subject to Shareholder approval being obtained under this Resolution, 142,119,681 Equity Securities will be permitted to be issued in accordance with Listing Rule 7.1A. Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the Listing Rule 7.1A Mandate is a moving calculation and will be based the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities.

That formula is:

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

A is the number of Shares on issue 12 months immediately preceding the date of issue or agreement (**Relevant Period**):

- (a) plus the number of fully paid Shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exceptions 9, 16 or 17;
- (b) plus the number of fully paid Shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (ii) the issue of, or agreement to issue, the convertible securities was approved or taken under the Listing Rules to have been approved, under Listing Rules 7.1 or 7.4;
- (c) plus the number of Shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
 - (i) the agreement was entered into before the commencement of the Relevant Period; or
 - (ii) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rules 7.1 or 7.4;
- (d) plus the number of fully paid Shares issued in the Relevant Period with approval of holders of Shares under Listing Rules 7.1 and 7.4;
- (e) plus the number of partly paid Shares that become fully paid in the Relevant Period; and
- (f) less the number of fully paid Shares cancelled in the Relevant Period.

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

D is 10%; and

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement to issue has not been subsequently approved by Shareholders under Listing Rule 7.4.

4.3 Specific information required by Listing Rule 7.3A

- (a) If the Resolution is passed, the Listing Rule 7.1A Mandate will be valid during the period from the date of the Meeting and will expire on the earlier of:
 - (i) the date that is 12 months after the date of the Meeting;
 - (ii) the time and date of the Company's next annual general meeting; and
 - (iii) the time and date on which the Company receives approval by Shareholders for a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(Approval Period).

- (b) The Equity Securities to be issued will be in an existing class of quoted securities and will be issued for cash consideration at an issue price per Equity Security of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in the class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) The Company may seek to issue the Equity Securities as cash consideration in which case the Company intends to use the funds raised towards costs associated the commercial launch of the Company's lead development program, Sofpironium Bromide gel (15%), its existing and new product development studies and intellectual property maintenance costs as well as general working capital purposes and for the potential acquisition of new assets and investments.
- (d) If this Resolution is approved by Shareholders and the Company issues Equity Securities under the Listing Rule 7.1A Mandate, the existing Shareholders' economic and voting interests in the Company will be diluted. There is also a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date the Listing Rule 7.1A Mandate was approved; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date of the Equity Securities.

The table below demonstrates the potential dilution of existing Shareholders in three differing scenarios.

Variable 'A' (refer above for calculation)		Dilution		
		\$0.0675 Issue Price at half the current market price	\$0.135 Issue Price at current market price	\$0.27 Issue Price at double the current market price
Current Variable 'A' 1,421,196,813 Shares	Shares issued	142,119,681	142,119,681	142,119,681
	Funds raised	\$9,593,078	\$19,186,157	\$38,372,314
	Dilution	10%	10%	10%
50% increase in current Variable 'A' 2,131,795,219 Shares	Shares issued	213,179,522	213,179,522	213,179,522
	Funds raised	\$14,389,618	\$28,779,235	\$57,558,471
	Dilution	10%	10%	10%

Variable 'A' (refer above for calculation)		Dilution		
		\$0.0675 Issue Price at half the current market price	\$0.135 Issue Price at current market price	\$0.27 Issue Price at double the current market price
100% increase in current variable 'A' 2,842,393,626 Shares	Shares issued	284,239,362	284,239,362	284,239,362
	Funds raised	\$19,186,157	\$38,372,314	\$76,744,628
	Dilution	10%	10%	10%

Note: *This table assumes:*

- *No Options or Performance Rights are exercised before the date of the issue of the Equity Securities.*
- *The issue of Equity Securities under the Listing Rule 7.1A Mandate consists only of Shares. If the issue of Equity Securities includes quoted Options, for the purposes of the above table, it is assumed that those quoted Options are exercised into Shares for the purposes of calculating the voting dilution effect on existing Shareholders.*
- *The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Listing Rule 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.*
- *The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2, with approval under Listing Rule 7.1 or ratified under Listing Rule 7.4.*
- *This table does not set out any dilution pursuant to ratification under Listing Rule 7.4.*

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (e) The identity of the persons to whom Shares will be issued is not yet known and will be determined on a case-by-case basis having regard to market conditions at the time of the proposed issue of Equity Securities and the Company's allocation policy, which involves consideration of matters including, but not limited to:
- (i) the purpose of the issue;
 - (ii) the ability of the Company to raise funds at the time of the proposed issue of Equity Securities and whether the raising of any funds under such placement could be carried out by means of an entitlement offer, or a placement and an entitlement offer;
 - (iii) the dilutionary effect of the proposed issue of the Equity Securities on existing Shareholders at the time of proposed issued of Equity Securities;
 - (iv) the financial situation and solvency of the Company; and

- (v) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The persons to whom Shares will be issued under the Listing Rule 7.1A Mandate have not been determined as at the date of this Notice, but will not include related parties (or their Associates) of the Company.

- (f) The Company has previously issued Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting. A total of 111,111,111 Equity Securities were issued, which represents 9.31% of the total number of Equity Securities on issue at the commencement of that 12-month period.
- (g) The details of each of issue or agreement to issue Equity Securities under Listing Rule 7.1A.2 in the 12 months preceding the date of the Meeting are set out in Annexure A.

5 Resolution 5 – Approval of potential benefits on termination to Dr Howard McKibbon (or his nominee(s))

5.1 Background

On 25 August 2023, Dr Howard McKibbon was appointed as Chief Executive Officer (**CEO**) of the Company. In connection with Dr McKibbon's appointment as CEO, the Company agreed to grant 56,000,000 Performance Rights to Dr McKibbon (or his nominee(s)) under the Company's Employee Awards Plan which was approved at the 2022 AGM (**2022 Plan**). A summary of the material terms of the Performance Rights is set out in Annexure B to this Explanatory Memorandum. The Performance Rights were issued in September 2023.

The terms of the Performance Rights, together with Dr McKibbon's employment agreement for his position as CEO of the Company (**Employment Agreement**), include potential termination benefits which may become payable to Dr McKibbon (or his nominee(s)) in connection with him ceasing employment with the Company. This Resolution seeks Shareholder approval for the giving of those potential termination benefits for all purposes of Part 2D.2 of the Corporations Act and Listing Rule 10.19 as set out in this Explanatory Memorandum.

5.2 Termination benefits payable to Dr McKibbon

The terms of the Performance Rights allow for the Board to exercise discretion in the following circumstances:

- (a) discretion to determine that any unvested or vested Performance Rights will not immediately lapse upon Dr McKibbon ceasing to be employed by the Company (or a subsidiary of the Company); and
- (b) a general discretion to reduce or waive conditions to the Performance Rights in whole or in part at any time and in any particular case, which might include the exercise of that discretion in the context of the Dr McKibbon's cessation of employment with the Company (or a subsidiary of the Company).

In addition, the Employment Agreement provides that Dr McKibbon will be able to receive the following on termination of his employment without cause:

- (a) an amount equal to 12 months of Dr McKibbon's base salary (at the highest rate in effect during the 12 month period immediately preceding the date of termination); and
- (b) a pro rata portion of the target bonus (which is an annual bonus based on the attainment of objective performance goals and targets established by the Board and equal to 35% of Dr McKibbon's annual base salary) for the year in which termination of employment occurs based upon the number of days worked during the year of termination,

(together, the **Employment Agreement Benefits**).

The benefits noted above are in addition to statutory entitlements, any payment in lieu of notice and accrued contractual entitlements, comprised of any outstanding remuneration and any accrued leave entitlements as at the date of termination.

5.3 Sections 200B and 200E of the Corporations Act

Part 2D.2 of the Corporations Act restricts the benefits that can be given to persons who hold a “managerial or executive office” (as defined in the Corporations Act), or persons who have in the 3 years before their termination held a managerial or executive office, on leaving their employment with the Company or ceasing to be appointed as a director of the Company or any of its related bodies corporate, unless an exception applies.

Section 200B of the Corporations Act applies to managerial or executive officers of the Company or any of its subsidiaries, or persons who have held a managerial or executive position in the three years prior to their ceasing employment, which will include Dr McKibbon.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if it is approved by shareholders under section 200E of the Corporations Act or another exemption applies.

The term "benefit" has a wide operation and would include:

- (a) the exercise of Board discretion in the circumstances noted above upon termination or cessation of employment in accordance with their terms (including the terms of the 2022 Plan under which they are offered); and
- (b) the payment of benefits in the circumstances noted above in relation to the Employment Agreement Benefits upon termination or cessation of employment in accordance with the Employment Agreement.

Accordingly, Shareholder approval is sought for the purposes of section 200E of the Corporations Act to allow the Company to deal with:

- (a) the Performance Rights upon termination or cessation of employment of Dr McKibbon in accordance with the terms and conditions of the Performance Rights; and
- (b) the Employment Agreement Benefits upon termination or cessation of employment of Dr McKibbon in accordance with the terms of the Employment Agreement,

where to do so would involve giving a “benefit” to Dr McKibbon in connection with him ceasing to hold a managerial or executive office.

The value of any benefit relating to the Performance Rights and Employment Agreement Benefits given in connection with Dr McKibbon ceasing to hold managerial or executive office cannot presently be ascertained. However, the matters, events and circumstances that will, or are likely to, affect the calculation of that value are:

- (a) in relation to the Performance Rights:
 - (i) the number of Performance Rights held by Dr McKibbon (or his nominee(s)) prior to termination or cessation of his employment;
 - (ii) Dr McKibbon’s length of service and the status of the vesting conditions attaching to the Performance Rights at the time his employment or office ceases;

- (iii) whether the vesting conditions are waived or (if not waived) met, and the number of Performance Rights (which could be a portion of or all of the Performance Rights held by Dr McKibbon (or his nominee(s))); and
 - (iv) the market price of the Company's Shares on ASX on the date Shares are issued to Dr McKibbon upon exercise of the Performance Rights. As at the date of this Notice, the market price of the Company's Shares is \$0.185 per Share; and
- (b) in relation to the Employment Agreement Benefits:
- (i) Dr McKibbon's base salary prior to termination or cessation of his employment. Dr McKibbon's current base salary is US\$400,000 per annum; and
 - (ii) the amount of the target bonus for the year in which termination or cessation of his employment occurs, including the number of days worked during the year of termination.

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

5.4 Listing Rule 10.19

Listing Rule 10.19 provides that without shareholder approval, an entity must ensure that no officer of the entity or any of its child entities will be, or may be, entitled to termination benefits if the value of those benefits and the termination benefits that are or may become payable to all officers together exceed 5% of the equity interests of the entity as set out in the latest accounts given to ASX under the Listing Rules (**5% Threshold**). Accordingly, Shareholder approval is being sought on the basis that, if Resolution 5 is passed, officers of the Company (including Dr McKibbon) may be entitled to termination benefits under the 2022 Plan and/or their employment agreements which exceed the 5% Threshold.

Depending upon the value of the termination benefits (see above), and the equity interests of the Company at the time such benefits may crystallise, it is uncertain if such payment would exceed the 5% Threshold. In the event of such termination benefits crystallising, the Company will comply with Listing Rule 10.19 if this Resolution is approved by Shareholders.

5.5 Consequences of passing the Resolution

If the Resolution is passed, the Company will be able to give termination benefits which may exceed the 5% Threshold to Dr McKibbon (or his nominee(s)) in connection with Dr McKibbon ceasing to hold that managerial or executive office in accordance with the terms of the Performance Rights and the 2022 Plan and the terms of his Employment Agreement.

If the Resolution is not passed, the Company will not be able to give termination benefits to Dr McKibbon (or his nominee(s)) unless:

- (a) the Company obtains future Shareholder approval under section 200E of the Corporations Act for the giving of the particular termination benefit or another exemption to the restriction in section 200B of the Corporations Act applies; or
- (b) the Company obtains future Shareholder approval under Listing Rule 10.19 or those termination benefits along with termination benefits payable to all officers will not exceed the 5% Threshold.

Resolution 5 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 5.

6 Resolution 6 – Approval of Employee Awards Plan

6.1 Background

Given the changes to the law relating to employee share schemes over the past 12 months, the Directors considered that it was desirable to establish a new awards plan under which persons who are employees or directors of, or individuals who provide services to, a Group Company (**Eligible Employees**) may be offered the opportunity to subscribe for Equity Securities in the form of Shares, Options and/or Performance Rights (together, **Incentives**) in order to increase the range of potential incentives available to them and to strengthen links between the Company and its Eligible Employees and accordingly adopted the Employee Awards Plan (**New Plan**).

Subject to the approval of this Resolution 6, the New Plan is intended to supersede the 2022 Plan. Apart from minor amendments to reflect changes to the law relating to employee share schemes over the past 12 months and other minor technical changes, the terms of the New Plan are substantially the same as the 2022 Plan. Refer to the summary of the terms of the New Plan set out in Annexure C of this Explanatory Memorandum.

The New Plan is designed to provide incentives to the Eligible Employees of the Company and to recognise their contribution to the Company's success. Under the Company's current circumstances, the Directors consider that the incentives to Eligible Employees are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure Eligible Employees who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The New Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

Shareholder approval is required if any issue of Incentives pursuant to the New Plan is to fall within the exception to the calculation of the 25% limit imposed by Listing Rules 7.1 and 7.1A on the number of securities which may be issued without Shareholder approval. Accordingly, Shareholder approval is sought for the purposes of Listing Rule 7.2 Exception 13(b) which provides that Listing Rules 7.1 and 7.1A does not apply to an issue of securities under an employee incentive scheme that has been approved by the holders of ordinary securities within three years of the date of issue.

Prior Shareholder approval will be required before any Director or related party of the Company can participate in the New Plan.

Under the New Plan, the Board may offer to Eligible Employees the opportunity to subscribe for such number of Incentives in the Company as the Board may decide and on the terms set out in the rules of the New Plan, a summary of which is contained in Annexure C of this Explanatory Memorandum. Incentives granted under the New Plan will be offered to Participants in the New Plan on the basis of the Board's view of the contribution of the Eligible Employee to the Company.

The maximum number of Incentives proposed to be issued under the New Plan following approval of this Resolution is 150,000,000. The maximum number stated is not intended to be a prediction of the actual number of securities that may be issued under the New Plan – it is simply a ceiling for the purposes of Listing Rule 7.2, Exception 13(b). Once this number is reached the Company will need to seek fresh approval from Shareholders if the subsequent issue of Incentives is to fall within Listing Rule 7.2 Exception 13.

If Resolution 6 is passed, the Company will be able to issue Incentives under the New Plan up the maximum number set out in this Notice. In addition:

- those issues of Incentives 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 and Listing Rule 7.1A; and

- the Plan will supersede the 2022 Plan and any capacity remaining under the maximum number approved for the 2022 Plan (as approved at the 2022 AGM) will not be utilised and the Company will issue Incentives under the New Plan up to the maximum number set out in this Notice.

If the Resolution 6 is not passed, the Company will be able to proceed to issue Incentives under:

- the New Plan, however the issue of those Incentives will not fall within the exception to the calculation of the 25% limit imposed by Listing Rules 7.1 and 7.1A and therefore will effectively decrease the number of Equity Securities which may be issued without Shareholder approval; and
- the 2022 Plan to the extent there is any capacity remaining up to the maximum number approved by Shareholders for the 2022 Plan.

Resolution 6 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 6.

6.2 Information Requirements – Listing Rule 7.2 Exception 13

In accordance with the requirements of Listing Rule 7.2 Exception 13(b), the following information is provided to Shareholders:

- (a) a summary of the terms of the New Plan is set out in Annexure C of this Explanatory Memorandum;
- (b) the 2022 Plan was approved by Shareholders at the 2022 AGM. A total of 86,450,000 Equity Securities have been issued pursuant to the 2022 Plan but no securities have yet been issued under the New Plan;
- (c) the maximum number of Incentives proposed to be issued under the New Plan following approval of Resolution 6 is 150,000,000 over the 3 year life of the New Plan; and
- (d) a voting exclusion statement has been included in the Notice for the purposes of Resolution 6.

GLOSSARY

\$ means Australian dollars.

2022 AGM means the Company's last annual general meeting held on 23 November 2022.

2022 Plan has the meaning set out in Section 5.1.

5% Threshold has the meaning set out in Section 5.4.

Accounting Standards has the meaning given to that term in the Corporations Act.

Annual Report means the annual report of the Company for the year ended 30 June 2023.

Article mean an article of the Constitution.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor means the Company's auditor from time to time (if any).

Auditor's Report means the report of the Auditor contained in the Annual Report for the year ended 30 June 2023.

AWST means Australian western standard time as recognised in Perth, Western Australia.

Board means the Directors.

CEO has the meaning set out in Section 5.1.

Chair means the individual elected to chair any meeting of the Company from time to time.

Closely Related Party has the meaning given to that term in the Corporations Act.

Company means Botanix Pharmaceuticals Limited ABN 70 009 109 755.

Constitution means the Company's constitution, as amended from time to time.

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

Directors means the directors of the Company.

Directors' Report means the report of the Directors contained in the Annual Report for the year ended 30 June 2023.

Employment Agreement has the meaning set out in Section 5.1.

Employment Agreement Benefits has the meaning set out in Section 5.2.

Eligible Employees has the meaning set out in Section 6.1.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum accompanying this Notice.

Group Company means the Company and each Related Body Corporate of the Company.

Incentives has the meaning set out in Section 6.1.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

Listing Rule 7.1A Mandate has the meaning set out in Section 4.1.

Listing Rules means the ASX Listing Rules.

Meeting means the Annual General Meeting convened by the Notice.

New Plan has the meaning set out in Section 6.1.

Notice or **Notice of Meeting** means this Notice of Annual General Meeting.

Option means an option to acquire a Share.

Participant has the meaning set out in Annexure C.

Performance Right means a right to acquire a Share subject to performance conditions being met.

Proxy Form means the proxy form accompanying the Notice by way of email where the Shareholder has elected to receive notices by email, or the personalised proxy form accompanying the postcard circulated by way of post where the Shareholder has not elected to receive notices by email.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Relevant Period has the meaning set out in Section 4.2.

Remuneration Report means the remuneration report set out in the Annual Report for the year ended 30 June 2023.

Resolution means a resolution contained in the Notice.

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Section means a section of this Notice.

Shareholder means a member of the Company from time to time.

Shares means fully paid ordinary shares in the capital of the Company.

Spill Meeting has the meaning set out in Section 1.1.

Spill Resolution has the meaning set out in Section 1.1.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

ANNEXURE A – INFORMATION REQUIRED BY LISTING RULE 7.3A6

Date of issue / agreement to issue	Type of Equity Securities	Number issued / agreed to be issued	Summary of Terms of Equity Securities	Recipient of Equity Securities (or basis on which they were identified or selected)	Issue Price and discount to closing market price on date of issue / agreement to issue (if any)	Total cash consideration received, the amount of that cash that has been spent, what it was spent on, and what is the intended use for the remaining amount of that cash (if any)
13 April 2023	Shares	111,111,111	Fully paid ordinary Shares in the capital of the Company and rank equally in all respects with the existing fully paid ordinary Shares on issue.	Institutional and sophisticated investors identified by the joint lead managers to the placement.	The issue price of \$0.09 per Share represented a 10% discount to the last traded price prior to the announcement of the placement on 31 March 2023 (\$0.10).	\$10,000,000 of which approximately \$4,000,000 has been spent. The funds were used to progress the Company's lead development program, Sofpironium Bromide gel (15%), including costs associated with completing FDA review, satisfying milestone payments and preparing for commercial launch in the United States, as well as general working capital purposes and costs of the placement.

ANNEXURE B – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The terms of the Performance Rights (**Rights**) granted to Dr Howard McKibbon (or his nominee(s)) are set out below (and are otherwise governed by the terms of the 2022 Plan). Terms not defined in this Annexure B have the meaning given to them in the 2022 Plan:

Item	Terms						
Maximum number of Rights	56,000,000 Rights.						
Expiry Date	5:00pm (AWST) on 31 August 2028.						
Issue Price	Nil						
Vesting Conditions	<p>The vesting conditions attaching to the Rights are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="text-align: left;">Vesting Condition</th> <th style="text-align: left;">Proportion of Rights that will vest</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <p>Tranche 1:</p> <p>The date that is 12 months following the date of FDA approval of Sofpironium Bromide (which must occur no later than 1 September 2025), provided that:</p> <ul style="list-style-type: none"> • the approved label for Sofpironium Bromide includes an efficacy and safety data set that supports promotion of the product in the US market; and • the CEO has had continuous employment with the Company up to and including that date. </td> <td style="vertical-align: top; text-align: center;">9,333,334 Rights</td> </tr> <tr> <td style="vertical-align: top;"> <p>Tranche 2:</p> <p>The earlier of the date that is 12 months after the vesting date of Tranche 1 or 30 December 2025 provided that:</p> <ul style="list-style-type: none"> • the Company has launched Sofpironium Bromide for commercial sale in the United States; • the Company has established a distribution network which is effectively providing reimbursed prescriptions to patients; and </td> <td style="vertical-align: top; text-align: center;">9,333,333 Rights</td> </tr> </tbody> </table>	Vesting Condition	Proportion of Rights that will vest	<p>Tranche 1:</p> <p>The date that is 12 months following the date of FDA approval of Sofpironium Bromide (which must occur no later than 1 September 2025), provided that:</p> <ul style="list-style-type: none"> • the approved label for Sofpironium Bromide includes an efficacy and safety data set that supports promotion of the product in the US market; and • the CEO has had continuous employment with the Company up to and including that date. 	9,333,334 Rights	<p>Tranche 2:</p> <p>The earlier of the date that is 12 months after the vesting date of Tranche 1 or 30 December 2025 provided that:</p> <ul style="list-style-type: none"> • the Company has launched Sofpironium Bromide for commercial sale in the United States; • the Company has established a distribution network which is effectively providing reimbursed prescriptions to patients; and 	9,333,333 Rights
Vesting Condition	Proportion of Rights that will vest						
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<p>Tranche 2:</p> <p>The earlier of the date that is 12 months after the vesting date of Tranche 1 or 30 December 2025 provided that:</p> <ul style="list-style-type: none"> • the Company has launched Sofpironium Bromide for commercial sale in the United States; • the Company has established a distribution network which is effectively providing reimbursed prescriptions to patients; and 	9,333,333 Rights						

Item	Terms
	<ul style="list-style-type: none"> • the CEO has had continuous employment with the Company up to and including that date.
	<p>Tranche 3:</p> <p>12 months after the vesting date of Tranche 2 provided that:</p> <ul style="list-style-type: none"> • the Company has deployed its digital telehealth platform for the diagnosis of patients with hyperhydrosis; • the Company is generating revenue from prescriptions as a direct result from utilization of the telehealth platform; and • the CEO has had continuous employment with the Company up to and including that date.
	<p>Tranche 4:</p> <p>Achieving US\$45 million of revenue from the sales of Sofpironium Bromide in a financial year.</p>
	<p>Tranche 5:</p> <p>Achieving US\$100 million of revenue from the sales of Sofpironium Bromide in a financial year.</p>
	<p>Tranche 6:</p> <p>Achieving US\$150 million of revenue from the sales of Sofpironium Bromide in a financial year.</p>
	<p>Tranche 7:</p> <p>Achieving US\$250 million of revenue from the sale of products in a financial year.</p>
<p>First Exercise Date</p>	<p>The date the holder receives a Vesting Notice from the Company advising that the vesting condition has been met.</p>
<p>Last Exercise Date</p>	<p>The earlier of:</p> <ul style="list-style-type: none"> • the date which is 45 days after the Vesting Notice advising that the relevant Vesting Condition has been met (unless the Board otherwise determines); or • the Expiry Date.

Item	Terms
Exercise Price	\$0.00 per Right.
Exercise	<p>The Rights may be exercised after the Board has provided a Vesting Notice confirming that vesting conditions have been satisfied or waived. All or some of the Rights may be exercised, provided that the Rights are in multiples of 100 Rights.</p> <p>The Rights may be exercised by the holder providing the following to the Company Secretary:</p> <ul style="list-style-type: none"> • if the Rights are certificated, the certificate for the Rights (or if the certificate has been lost or destroyed, a declaration to that effect accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on that declaration); and • a signed Notice of Exercise.
Transferability	The Rights are not transferrable, except in accordance with Rule 16 of the 2022 Plan.
Entitlement	On exercise of the vested Rights the holder (or their Nominated Party) will be entitled to receive one Share for every Right exercised, subject to any adjustment made in accordance with the Offer Document or the 2022 Plan.
Other terms	<ul style="list-style-type: none"> (a) The issue of Rights, and disposal of any Shares, is subject to the terms of the 2022 Plan, including the Company obtaining any approvals required under any applicable legislation and stock exchange rules and the terms of the 2022 Plan. (b) If the holder ceases to be an Eligible Employee for any reason, then Rule 18 of the 2022 Plan will apply to the Rights granted to the holder (or their Nominated Party). (c) The Rights, and Shares issued on exercise of the Rights, can only be disposed in certain circumstances as set out in the Offer Document and the 2022 Plan. (d) A Right will not confer on the holder the right to participate in new issues of securities by the Company unless the Rights vest and are exercised prior to the record date for the new issue. (e) In the event of a reorganisation of the capital of the Company, the Company may alter the rights of the holder of a Right to the extent necessary to comply with the Corporations Act and the ASX Listing Rules (if applicable) applying to reorganisations at the time of the reorganisation. (f) The Shares to which the holder is entitled on exercise of the Rights will be issued to the holder as soon as practicable after the exercise date. (g) The Company will apply for the Shares issued on the vesting and exercise of the Rights to be quoted on the ASX in accordance with the Listing Rules. (h) The Company shall allot the resultant Shares and deliver a statement of shareholdings with a holders' identification number within 5 business days of exercise of the Rights.

Item	Terms
	<p>(i) The Shares allotted shall rank, from the date of allotment, equally with the existing ordinary Shares of the Company in all respects.</p> <p>(j) If there is a bonus share issue (Bonus Issue) to the holders of Shares, the number of Shares over which a Right is exercisable will be increased by the number of Shares which the holder of the Rights would have received if the Rights had been exercised before the record date for the Bonus Issue (Bonus Shares). The Bonus Shares must be paid up by the Company out of the profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank pari passu in all respects with the other shares of that class on issue at the date of issue of the Bonus Shares.</p> <p>(k) If there is a pro rata issue (other than a Bonus Issue) to the holders of Shares during the currency of, and prior to the exercise of any Rights, the Exercise Price of the Rights will be reduced according to the formula provided for in the Listing Rules (whether or not the Company is listed on the ASX at the time).</p> <p>(l) The Rights will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Rights.</p> <p>(m) The Company will, if it is eligible and required to do so, issue, where required to enable Shares issued on exercise of Rights to be freely tradeable on the ASX (subject to any restrictions on disposal in accordance with the 2022 Plan), a cleansing statement under section 708A(5) of the Corporations Act at the time Shares are issued. Where a cleansing statement is required, but cannot be issued, the Company will have a cleansing prospectus available in relation to the Shares which complies with the requirements of the Corporations Act.</p> <p>(n) If a Change of Control Event occurs:</p> <ul style="list-style-type: none"> (i) and as a result, the holder's role is changed materially such that they are employed in a lesser position than currently engaged, all unvested Rights the subject of Tranche 1, Tranche 2 and Tranche 3 will immediately vest; and (ii) Rule 19 of the 2022 Plan will apply to the Rights the subject of Tranche 4, Tranche 5, Tranche 6 and Tranche 7. <p>(o) The holder must not sell, transfer or dispose of any Shares issued to them on the exercise of Rights where to do so would contravene the insider trading or on-sale provisions of the Corporations Act.</p>

ANNEXURE C – SUMMARY OF NEW PLAN

A summary of the terms of the Employee Awards Plan (**New Plan**) is set out below.

- (a) **Eligibility:** The Board may (in its absolute discretion) provide an offer to an Eligible Employee of a Group Company to participate in the New Plan (**Offer**). Where such person (or a permitted nominee of such person) accepts the Offer, he or she will become a participant under the New Plan (**Participant**).
- (b) **Issue cap:** Offers made under the New Plan which require the payment of monetary consideration by the Participant in respect of the issue, transfer or exercise of an Incentive are subject to an issue cap of 5% of the number of Shares on issue (as adjusted or increased as permitted by law and under the Constitution from time to time).
- (c) **Offer:** The Board may make an Offer at any time. Where an Offer is made under the New Plan which requires the payment of monetary consideration by the Participant in respect of the issue, transfer or exercise of an Incentive then, subject to limited exceptions, the Offer must include the following information:
 - (i) the name and address of the person to whom the Offer is being made to;
 - (ii) the date of the Offer;
 - (iii) the first acceptance date (which must be at least 14 days after receiving the Offer) and the final acceptance date that the person can accept the Offer;
 - (iv) the number of Options, Performance Rights or Shares being offered and the maximum which can be applied for;
 - (v) the amount payable per Incentive by the person on application for the Incentives offered (if any), or the manner of determining such amount payable;
 - (vi) the conditions (if any) determined by the Board which are required to be satisfied, reached and met before an Incentive will be issued, and whether not it is issued subject to further vesting conditions;
 - (vii) the vesting conditions attaching to the Incentive (if applicable);
 - (viii) the first exercise date and last exercise date of the Incentives;
 - (ix) the exercise price (if any) or the manner of determining the exercise price of the Incentives;
 - (x) the vesting period (if any) of the Incentives;
 - (xi) general information about the risks of acquiring and holding the Incentives (and underlying Shares) the subject of the Offer;
 - (xii) a copy of the New Plan;
 - (xiii) any other specific terms and conditions applicable to the Offer;
 - (xiv) to the extent required by applicable law:
 - (A) an explanation of how an Eligible Employee could, from time to time, ascertain the market price of the Shares underlying the Options or Performance Rights;

- (B) the terms of any loan or contribution plan under which an Eligible Employee may obtain Incentives, or a summary of the terms of the loan together with a statement that the Participant can request a copy of the terms;
 - (C) the trust deed of any trust that will hold Incentives on trust for an Eligible Employee, or a summary of the terms of the trust deed together with a statement that the Participant can request a copy of the trust deed;
 - (D) a copy of any disclosure document prepared by the Company under Part 6D.2 of the Corporations Act in the 12 months before the date of the Offer, or a statement of how the Participant can access a copy of those disclosure documents; and
 - (E) any other information required by applicable laws; and
- (xv) a prominent statement to the effect that:
- (A) any advice given by the Company in relation to Incentives issued under the Plan, and Shares issued upon exercise of the Options or Performance Rights, does not take into account an Eligible Employee's objectives, financial situation and needs; and
 - (B) the Eligible Employee should obtain their own financial product advice in relation to the Offer from a person who is licensed by ASIC to give such advice.
- (d) **Terms of Offer:** The terms and conditions applicable to an Offer, and any accompanying document, must not include any misleading or deceptive statements, or omit any information that would result in those materials becoming misleading or deceptive. If the Company becomes aware, during the application period for an Incentives, that any statement in the Offer has become out of date, or is otherwise not correct, in a material respect, then it must provide an updated Offer.
- (e) **Issue Price:** The issue price (if any) in respect of the Incentives granted under the New Plan is as determined by the Board at its discretion.
- (f) **Nominees:** An Eligible Employee may, by notice in writing to the Board and subject to applicable laws, nominate a nominee in whose favour the Eligible Employee wishes the Incentives to be issued. The nominee may be an immediate family member of the Eligible Employee, a corporate trustee of a self-managed superannuation fund where the Eligible Employee is a director of the trustee or a company whose members comprise no persons other than the Eligible Employee or immediate family members of the Eligible Employee. The Board may, in its sole and absolute discretion, decide not to permit the Incentives to be issued to a nominee.
- (g) **Dealing:** Incentives may not be sold, assigned, transferred or otherwise dealt with except on the death of the Participant in limited circumstances or with the prior consent of the Board.
- (h) **Vesting:** Subject to paragraphs (k) and (l) below, an Incentive will vest when the Participant receives a vesting notice from the Company confirming that the vesting conditions attaching to the Incentives are met or waived.
- (i) **Exercise of Incentive:** Upon receiving a vesting notice with respect to their Incentives, a Participant may exercise those Incentives by delivery to the Company Secretary of the certificate for the Incentives (if any), a signed notice of exercise and payment equal to the exercise price (if any) for the number of Incentives sought to be exercised.
- (j) **Lapse of Incentive:** Unless otherwise determined by the Board, an Incentive will not vest and will lapse on the earlier of:

- (i) the Board determining that the vesting conditions attaching to the Incentive have not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
 - (ii) the day immediately following the last exercise date; or
 - (iii) with respect of unvested Incentives, the date the Participant ceases employment in the relevant circumstances summarised at paragraph (k) below .
- (k) **Ceasing employment:** If the Eligible Employee ceases to be employed by the Company for any reason, then (subject to compliance with the Corporations Act and Listing Rules):
- (i) any unvested Shares held by the relevant Participant will be forfeited;
 - (ii) any unvested Options or Performance Rights held by the relevant Participant will immediately lapse; and
 - (iii) any vested Options or Performance Rights that have not been exercised will lapse on the date the Eligible Employee ceases to be employed by the Company,

although the Board may (subject to compliance with the Corporations Act and Listing Rules) determine to treat any unvested Incentives in any other way other than in the manner set out above if the Board determines that the relevant circumstances warrant such treatment. If the Board makes such a determination for alternative treatment, then it must give the relevant Participant notice within 14 days of that determination.

- (l) **Change of control:** If a Change of Control Event (see below) occurs, the Board may in its sole and absolute discretion (and subject to the Listing Rules) by notice to the Participant determine how any unvested Incentives will be treated, including but not limited to:
- (i) determining that unvested Incentives (or a portion of unvested Incentives) will vest and become immediately exercisable with such vesting deemed to have taken place immediately prior to the Change of Control Event; and/or
 - (ii) reducing or waiving the applicable vesting conditions attaching to the unvested Incentives,

where a “**Change of Control Event**” means:

- (i) a takeover bid (as defined in the Corporations Act) is made for all Shares and which is, or is declared, unconditional and the bidder under the bid acquires a voting power in the Company of at least 50.1%;
- (ii) the Court sanctioning a compromise or arrangement relating to the Company under Part 5.1 of the Corporations Act;
- (iii) any other merger, consolidation or amalgamation involving the Company occurring which results in the holders of Shares immediately prior to the merger, consolidation or amalgamation being entitled to 50% or less of the voting shares in the body corporate resulting from the merger, consolidation or amalgamation;
- (iv) any Group Company entering into agreements to sell in aggregate a majority in value of the businesses or assets of the Group to a person, or a number of persons, none of which are Group Companies; or
- (v) the Board determining in its reasonable opinion that control of the Company has or is likely to change or pass to one or more persons.

- (b) **Issue of Shares on vesting of Options or Performance Rights:** Following exercise of the Options or Performance Rights, the Company will, subject to the terms of the Company's relevant policies, issue or transfer Shares to that Participant and apply for official quotation or listing of those Shares on the ASX if applicable. Unless and until the Options or Performance Rights have been exercised and the relevant Shares issued to that Participant as a result of that exercise, a Participant has no right or interest in those Shares.
- (c) **Ranking of Shares:** Shares issued upon exercise of the Options or Performance Right will rank equally in all respects with existing Shares, except for entitlements which had a record date before the date of the issue of that Share.
- (d) **Adjustment of Options or Performance Rights:** If, prior to the vesting of an Option or Performance Right, there is a reorganisation of the issued share capital of the Company (including a consolidation, sub-division or reduction of capital or return of capital to Shareholders), the number of Options or Performance Rights to which a Participant is entitled will be adjusted in a manner required by the Listing Rules.
- (e) **Clawback:** If the Board determines that:
 - (i) a Participant (or Eligible Employee who has nominated a nominee to receive the Incentives) at any time:
 - (A) has been dismissed or removed from office for a reason which entitles a Group Company to dismiss the Participant (or Eligible Employee) without notice;
 - (B) has been convicted on indictment of an offence against the Corporations Act in connection with the affairs of a Group Company;
 - (C) has had a judgement entered against him or her in civil proceedings in respect of the contravention by the Participant (or Eligible Employee) of his or her duties at law, in equity or under statute in his or her capacity as an executive or Director of a Group Company;
 - (D) has committed an act of fraud, defalcation or gross misconduct in relation to the affairs of that body corporate (whether or not charged with an offence);
 - (E) is in material breach of any of his or her duties or obligations to a Group Company; or
 - (F) has done an act which brings a Group Company into disrepute,

then the Board may determine that all unvested Shares held by the Participant will be forfeited and any Options or Performance Rights held by the Participant will lapse; and
 - (ii) there has been a material misstatement in the Company's financial statements or some other event has occurred which, as a result, means that the relevant vesting conditions (if any) to an Incentive which has vested were not, or should not have been determined to have been satisfied, then the Participant shall cease to be entitled to those vested Incentives and the Board may:
 - (A) by written notice to the Participant cancel the relevant Options or Performance Rights for no consideration or determine that the relevant Shares are forfeited;
 - (B) by written notice to the Participant require that the Participant pay to the Company the after tax value of the relevant Incentives, with such payment to be made within 30 Business Days of receipt of such notice; or

- (c) adjust fixed remuneration, incentives or participation in the Plan of a relevant Participant in the current year or any future year to take account of the after tax value of the relevant Incentives.

- (f) **Amendments to the New Plan:** Subject to and in accordance with the Listing Rules, the Board may amend, revoke, add to or vary the New Plan (without the necessity of obtaining the prior or subsequent consent or approval of Shareholders of the Company), provided that rights or entitlements in respect of any Option, Performance Right or Share granted before the date of the amendment shall not be reduced or adversely affected without the prior written consent of the Participant affected by the amendment.

Botanix Pharmaceuticals Limited | ABN 70 009 109 755

Your proxy voting instruction must be received by **09.00am (AWST) on Monday, 06 November 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

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

YOUR NAME AND ADDRESS

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

STEP 1 – APPOINT A PROXY

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

DEFAULT TO THE CHAIR OF THE MEETING

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

STEP 2 - VOTES ON ITEMS OF BUSINESS

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

APPOINTMENT OF SECOND PROXY

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

SIGNING INSTRUCTIONS

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

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

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

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

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

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

CORPORATE REPRESENTATIVES

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

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

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